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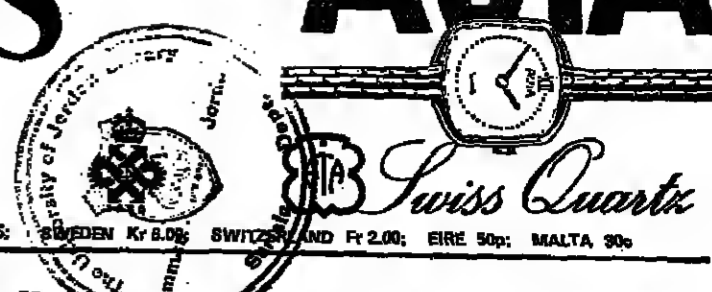
FINANCIAL TIMES

AVIA

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NEWS SUMMARY

GENERAL

Malaga air crash kills at least 46

At least 46 people were killed and about 90 injured when a DC-10 crashed and caught fire at Malaga, Spain, while taking off for New York.

The jet, owned by Spanish charter airline Spantax, over-shot the runway and hit a truck on a main road. It had 390 passengers, mostly American holiday makers. Picture, Page 3

Chinooks down

The U.S. Army grounded all Boeing CH-47 Chinook helicopters for 72 hours following Saturday's crash near Mannheim, West Germany, when 46 people died. British Airways, which operates a version of the Chinook, said there was no cause to ground its helicopters.

Seven die on M6

Seven people died on the M6 near Wigan when a 32-tonne lorry crashed into their mini-bus which was broken down on the hard shoulder.

Grace in crash

Princess Grace of Monaco broke her leg and her daughter Stephanie suffered concussion after the brakes failed on their car on a mountain road near Monte Carlo.

P-2 chief caught

Italian authorities are to demand extradition of Sig Licio Gelli, fugitive head of the disbanded P-2 Freemasons' lodge, who was captured at a Geneva bank. Back Page

Suspect gives up

Joachim Fischer, 35, wanted in Italy for suspected involvement in the 1980 Bologna train station bombing which killed 85 people, gave himself up in Frankfurt.

Zimbabwe curbs

Zimbabwe said foreign journalists will in future have to tell the Government of any trips beyond 25 miles of Harare or Bulawayo.

Armenians held

Turkey's foreign ministry said British police had captured two Armenian terrorists planning an attack on the Turkish Embassy in London.

Ulster jail fast

Three prisoners in Belfast's Crumlin Road jail started a hunger strike, demanding to be freed. They are backed by the Irish Republican Socialist Party.

Job scheme veto

The National Association of Councils for Voluntary Service will recommend affiliates not to take part in the Community Programme Scheme for long-term jobless. Page 12

86 over 100

China's census has found 86 people in Hubei Province over 100 years old, most of whom are vegetarians.

Loudmouth

Tony Fieldhouse, 27, a hinge caller from Bradford, set a men's record of 111.9 decibels at the official world shouting championships in Scarborough.

Briefly...

Typhoon Judy killed at least 25 people in Japan.
Bolivia's international phone system was halted by a strike.
Israel's El Al airline was grounded by a strike of stewards over the dismissal of three colleagues.
Avelina Savitskaya, the second woman in space, was awarded the Order of Lenin.
Dmitriy Zimin, exiled leader of Tibet, met antigovernment heads in Moscow.

CHIEF PRICES CHANGES YESTERDAY

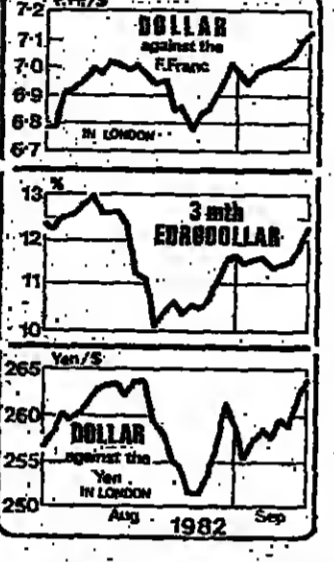
(Prices in pence unless otherwise indicated)

RISES:	Assoc. Newspapers.. 376 - 12
FTR	335 + 10
Brumell (C.D.)	136 + 6
Clavie Nicholas	113 + 8
Lloyds Bank	392 + 8
Munton Bros.	314 + 24
Sheffield	
Refinement Homes	130 + 27
Jebeens Drilling	290 + 20
Kinross	763 + 34
FALLS:	
Teach. Assoc.	28 1/2 - 11
Treas. Assoc.	411 - 11
Abbey Power	411 - 11

BUSINESS

\$ strong against franc and yen

DOLLAR rose to Y264.2 (Y262.75), a five-year high. DM 2.5215 (DM 2.498) and a record. FFR 7.13 (FFR 7.025). Trade-weighted index was 123.1 (122.7). Eurodollar interest rates fell for the second day - the three-month rate was up



percentage point to 12 1/2 per cent, up 2 per cent in three weeks. Eurodollar rates have risen 11 points since UK bank base rates fell two weeks ago, probably postponing further falls in UK interest rates. Page 34

STERLING fell 60 points to \$1.705, but rose to DM 4.3 (DM 4.2925) and FFR 12.15 (FFR 12.14). Trade weighted index was unchanged at 91.7. Page 34

GOLD fell \$155 to \$439 in London. In New York, the Comex September close was \$447.25 (\$443). Page 31

GILTS were nervous as investors took profits on receding hopes of clearing bank interest rate cuts. Government Securities Index dipped 0.43 to 77.43. Page 33

EQUITIES lost ground on economic worries. FT 30-Share index retreated 3.0 to 73.56. Page 33

WALL STREET was up 1.29 at 908.11 near the close. Page 32

GATT (General Agreement on Tariffs and Trade) asked Japan to co-operate in formulating a system to define conditions under which governments could curb imports. Page 6

CONSTRUCTION industry's output in the first half was 1.5 per cent down on the same period last year. Page 8

BRITISH GAS has ordered an \$11m platform jacket for the Murecamba gas field from RGC Offshore at Methil, Fife. Page 8

GLOBAL Natural Resources annual meeting, at which some shareholders sought to remove the board, took place yesterday. Outcome of voting is expected about noon today.

RETAIL sales volume in August was 0.4 per cent up on July to its highest point this year. Back Page

ICL has won a £15.8m contract for small computer systems for the New York State Department of Social Services, the company's largest ever overseas order. Back Page

IBM JAPAN is to form a joint venture with trading house Kanematsu-Gosho for office equipment sales and servicing in Japan. Page 24

BTR, international energy and engineering group, raised taxable profit by 13 per cent to \$48.7m in the six months to July 3. Page 21; Lex, Back Page

AMEY ROADSTONE, wholly-owned subsidiary of Consolidated Goldfields, reported pre-tax profits virtually unchanged at £28.5m (£28.8m) in the year end June. Page 20; Lex, Back Page

Britain calls off its financial sanctions against Argentina

BY DAVID TONGE IN LONDON AND JIMMY BURNS IN BUENOS AIRES

BRITAIN yesterday announced the lifting of financial sanctions between London and Buenos Aires, opening the way for a restructuring of Argentina's \$37bn (£21.7bn) foreign debt. The British Treasury said its financial sanctions on the Argentine government and Argentine residents would be discontinued at midnight, London time, last night. It also said that from the same time the Argentine authorities would end their financial restrictions, on British businesses in Argentina. However, the Foreign and Economy Ministers in Buenos Aires would only say last night that lifting their sanctions was "under consideration".

Tribunal links 6% rail pay rise to productivity

BY BRIAN GROOM, LABOUR STAFF

LORD MCCARTHY'S tribunal yesterday recommended a 6 per cent pay rise for British Rail's 177,000 workers, and measures to accelerate progress on productivity. The BR board's initial reaction was that because the report was a pay and productivity package "there appears to be a basis for a negotiated settlement. BR is determined and ready in everyone's interests to begin negotiations as soon as possible".

Beecham to buy Nabisco subsidiary

BY DUNCAN CAMPBELL-SMITH

BEECHAM, the pharmaceuticals and consumer products group, has agreed to purchase for \$100m (£89m) the sole remaining non-food subsidiary of significance in the Nabisco Brands group of the U.S. The offshoot, J. B. Williams, makes toiletries and pharmaceuticals. It is based at Cranford, New Jersey and Boonville, Arkansas, and employs 1,100 people. Its products, sold largely in the U.S. but also in Italy, France, Spain, Scandinavia and Canada, include brand names such as Aqua Velva, the after-shave lotion, and Geritol, the multi-vitamin tablets. Acquired by Nabisco in 1971, Williams has had troubles recently. Trading profits declined to \$1m on sales worth \$149m in 1981. The company is estimated to have sales of \$136m for this year, and had

Falklands report calls for £75m spending boost

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

SPENDING SOME £75m on civilian projects in the Falkland Islands and Dependencies is recommended by an economic team led by Lord Shackleton, whose report, commissioned by the Prime Minister in May, was published yesterday. The report recommends gradually increasing the population and establishing a 200-mile fishing limit. The report was given a cautious welcome by the Government, which promised the action after a period of public debate and comment. Introducing the report in London, Lord Shackleton emphasised that the islands' future depended on the commitment of the Falkland Islanders, and underlined the crucial need of regular air communication. The report calls for expansion of Government services between now and 1988, including establishment of a chief executive and a Falkland Islands Development Agency at a cost of £3.6m. The agency would be given powers to acquire, if necessary compulsorily, lands belonging to absentee landlords, including those of the Falkland Islands Company, now a subsidiary of Coalite, the UK coal and shipping conglomerate. These lands, which comprise the bulk of usable acreage on the Falklands proper, would be

Citicorp accused of tax evasion

By Our Washington Correspondent

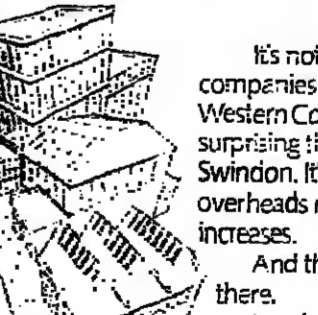
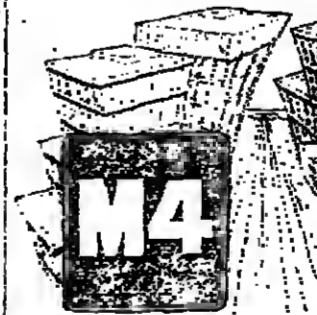
ALLEGATIONS that Citicorp, the big U.S. bank, systematically sought to evade tax, foreign exchange and banking regulations in various European countries in the 1970s, were made by officials of the U.S. Securities and Exchange Commission in Washington yesterday. The allegations were the first public statement by SEC officials of the result of a 31-year investigation of Citicorp initiated after a bank employee, Mr David Edwards, made similar charges against the bank in 1975. The officials were testifying before a subcommittee of the House of Representatives Committee on Energy and Commerce, which oversees the SEC. Some details of the investigation were leaked this year when the SEC decided not to act on a recommendation by its staff for enforcement proceedings. However, yesterday's hearing showed that the scope of the investigation by the SEC was much broader than believed. It Continued on Back Page

Union urges 3-hour ITV shutdown

BY IVO DAWNAY, LABOUR STAFF

Independent Television faces a three-hour blackout on Wednesday next week, the health service "day of action". Officials of the Association of Cinematograph, Television and Allied Technicians agreed yesterday to urge their members to strike between 5.30 and 8.30 pm on September 22. The decision, which followed a meeting in London of shop stewards from the union's television section, came as several other unions met to discuss the details of plans to support the NHS pay campaign. In London, Fleet Street officers of the Society of Graphical and Allied Trades - Britain's biggest print union - agreed to seek the backing of their national executive to halt production of all national and provincial morning and evening newspapers on the day of the 24-hour NHS workers' strike. The Sogat executive, which meets on Thursday, is likely to be urged to instruct members to strike, regardless of any prohibiting injunction obtained by newspaper proprietors. Leaders of Scotland's 19,000 miners pledged full support for a 24-hour stoppage. Mr George Bolton, vice-president of the Scottish region of the National Union of Mineworkers, said: "There will not be a pound of coal produced in Scotland on that day." A South Wales miners delegate conference agreed to put the call for a 24-hour strike to pithead ballots of the region's 25,000 miners. Massive support is expected. At a full day's meeting, the executive committee of the Associated Society of Locomotive Engineers and Firemen agreed to call for talks with the other two main rail unions on a joint course of action. Health service unions have noted that any disruption to rail services could prevent demonstrators reaching rallies. Mr Sid Weighell, general secretary of the National Union of Railwaymen, had talks with Mr Len Murray, the TUC general secretary, on strategy yesterday. "The Department of Health and Social Security yesterday quashed suggestions that the dispute could be ended by replacing the 6 and 7.5 per cent pay offers with higher offers which would cover only the last six months of the current pay year, ending on March 31 1983. It said this would be unacceptable as the consequent rise in basic pay rates would force up costs for subsequent years.

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France to widen its methods of raising funds

DAVID MARSH IN PARIS

FRANÇOISE, THE flag-bearing symbol of the French republic, is habitually used to help sell state bond issues, may be called in more regularly in future. The French Finance Ministry, keen to widen the range of issues sold to the public to finance the budget deficit, proposes to launch soon a series of "renewable bonds" which can be marketed more or less continually.

The fund-raising instruments would be midway in character between the two established varieties of issues. These are the long-term state bonds, at present being launched about three or four times a year, and the short-term Treasury bonds, which have been issued in greatly increasing numbers since the Socialists came to power.

It has not yet been decided what role Mariannette will play in the innovation. Government officials are keen to step up advertising to educate French savers to put more of their money into long-term instruments.

Mariannette's finely-chiselled features (but not her bare breasts, which appear on FF100 banknotes) are being used in a promotional cam-

aign this week in French newspapers to advertise the latest FF100 state bond now on sale to the public.

The "renewable bonds" will have a maturity range of five to eight years. Holders will be able to convert them, under conditions fixed at the time of issue, into other bonds in the series. It is hoped that this will increase their attraction for investors seeking flexibility.

The Finance Ministry's need for a greater number of debt instruments has risen in line with the steady increase in yearly budget deficits under successive governments—especially the Socialists.

France has started off from a low base in government funding compared with Britain or the United States, with inflation and conservative budgetary policies holding down strongly the volume of public debt until fairly recently.

Ministry officials, however, are keen to extend the range of issues being marketed. The renewable bonds will act, it is hoped, rather like the "tap" stocks which are on almost constant offer on the London bond market by the government broker in the UK.

Ecologist leader launches broadside at Government

BY DAVID HOUSEGO IN PARIS

M BRICE LALONDE, the ecological candidate in last year's French presidential election, has emerged from 18 months of silence with a stinging indictment of the Government, which he accuses of imposing a "new form of absolute power" on the country.

Declaring that there has been no attempt to introduce a more participatory democracy, he says that an "arbitrary centralism" has come out on top. The only people who count for the left, he says, are their "glorified worthies and the trade unions."

The summit of democracy for M Pierre Mauroy (the Prime Minister) is the pseudo of dinosaur union and employer leaders through the "Mitterrand" (the Premier's residence).

M Lalonde won more than 10 votes, 4 per cent of the electorate, in May last year. To make the Ecologists the fifth-largest party in the country. But, since then, the movement has been split and has not enjoyed

the same wave of popular support as in West Germany. None the less the Ecologists remain a potential force in a close-run election and clearly intend to make their voice heard in the critical municipal elections next March.

In a broadside attack on the Socialists, M Lalonde berates them for a zig-zag economic policy that will fail to bring down unemployment; for the sumptuousness of the economic summit conference at Versailles in June; and for the naivety of their environmental budget.

He accuses the Socialists of not allowing a debate about nuclear power. He prophesies that, with the current low rates of economic growth, the Socialists' decision last year to go ahead with a large nuclear power programme will result in massive overcapacity. He says the Ecologists intend to contest the seat of M Edmond Hervé, the Minister of Energy, at the municipal elections. M Hervé is also Mayor of Rennes.

Big Nato exercises begin

OSKOBEL, (Denmark)—Nearly 1000 US and Dutch fighters under heavy air cover stormed ashore here yesterday and established a beachhead against "enemy" Danish forces.

The mock amphibious assault spearheaded by "Northern Wedding," one of Nato's largest ever exercises. It involves 160 US, 250 aircraft and 25,000 troops from 10 countries of the

"Northern Wedding" is the first of two large exercises to be staged in Denmark as part of the Atlantic alliance's annual "Autumn Forge" manoeuvres.

Among the vessels taking part in yesterday's landing was the Royal Navy's assault ship, HMS Fearless, saved from the Defence Ministry's axe as a result of its crucial role in the Falklands conflict.

Lambsdorff proposals to boost jobs and growth

By Jonathan Carr in Bonn

THE West German Economics Minister, Count Otto Lambsdorff, has proposed a new strategy to try to boost growth and cut unemployment.

In a 34-page paper to Chancellor Helmut Schmidt, he suggested ways of boosting public sector investment, stimulating private investment through tax measures, and making budget savings mainly through cuts in social benefits.

He makes clear that the Government should hold to its restrictive medium-term expenditure plan (to end 1985), and that the main aim should be to increase investment spending and cut spending on consumption.

Among the main suggestions are:

- Public sector investment (over three years): Strengthen environmental protection measures (eg, cleaning up polluted rivers); boost distance heating programmes (jointly with the regional states); extend and modernise the railways; seek to increase the Post Office's investment (eg, cable laying for communications systems).
- Tax measures: Step by step removal of trade tax; partial reduction in wealth tax (as applied to assets used for business purposes); income tax benefits for long-term investment in domestic business ventures; increase in value added tax to help compensate for above measures (although the minister notes that this step could push up prices and have a negative influence on wage negotiations).
- Savings on social benefits: cuts in unemployment pay. Count Lambsdorff suggests that for the first three months of unemployment, the jobless person should receive only 50 per cent of his or her former net income, instead of 68 per cent as at present.

As an alternative he suggests a general cut, even beyond three months, in unemployment pay for all those who have no dependants (the extent of the possible cut is not specified).

Removal of special state payments to women who take time off from work to have a child, removal of state grants for school pupils, and transformation of payments to students (eg university) from direct aid to repayable loans; increase in the payments made by pensioners to their health insurance; increased personal payments by patients towards the cost of doctors visits and medicine, and for taking part in cures.

Partial reductions in length of normal holidays for those who have gone on cures; close re-examination of the extent of the benefits offered to the physically handicapped.

● In addition: Retention of the ban on hiring of new foreign workers; lightest possible limit maintained on the number of family members accompanying foreign workers in West Germany; refusal of any EEC measures which could further harm the investment climate.



FIRES RAGED out of control for more than four hours in the DC-10 charter jet which crashed on take-off yesterday at Malaga in Spain. The burned-out shell of the aircraft (above) lies not far from the end of the runway. The jet was carrying American and Spanish tourists to New York

E. Berlin warns Bonn on missiles

BY LESLIE COLLITT IN EAST BERLIN

EAST GERMANY'S leader, Herr Erich Honecker, has told Herr Hans-Juergen Wischniewski, one of Chancellor Helmut Schmidt's top aides, that "good neighbourly" relations will be "acutely endangered" if new intermediate-range nuclear missiles are deployed in West Germany.

Hia warning has once again dampened Bonn's hopes of improved humanitarian contacts between East and West Germany.

It followed a weekend meeting, the highest-level contact

between East and West Germany since the inter-German summit conference in East Germany last December.

Herr Wischniewski said afterwards that he had emphasised Bonn's interest in mutual disarmament. He noted it was "reassuring" to see that both East Berlin and Bonn were sincerely concerned that the U.S.-Soviet disarmament talks in Geneva would be successful.

West Germany wants the East German Government to reduce its compulsory currency

exchange for Western visitors to the East, which was tripled in November, 1980. This has led to a more than 40 per cent drop in the number of Westerners entering East Germany and East Berlin.

Bonn regards these visitors as the chief remaining link between the two German states. It fears that East Germany intends progressively to raise the currency exchange fee until West Germans will be entirely discouraged from visiting their relatives and friends in the East.

Safety costs increase as Europe generates more nuclear power

BY DAVID FISHLICK, IN VIENNA

SAFETY ACCOUNTS for half the costs of nuclear power plant currently being commissioned in Belgium, a United Nations nuclear energy conference was told in Vienna yesterday.

The cost of safety has risen from about 30 per cent for reactors which entered service in the mid-1970s to almost 50 per cent for reactors entering service between 1982 and 1984.

Dr Robert van den Damme, a director of Intercom, one of Belgium's leading electricity supply companies, reported to the International Atomic Energy Agency's conference on nuclear power experience that Belgium produced 22 per cent of its electricity from nuclear fuel last year.

Other countries reporting nuclear electricity figures for 1981 included France, nearly 40 per cent; Sweden, 36 per cent; Japan, 17 per cent; and West Germany, 15 per cent.

Dr Hans Blix, opening the conference, said that with nuclear fuel producing about 9 per cent of the world's electricity last year, "this is an industry which cannot lightly be dismissed." Dr Blix, who is director-general of the IAEA, said its investigation suggested that nuclear costs varied by a factor of two, depending on the country, and the production factor (availability) of nuclear stations varied considerably.

Dr Michael Pecqueur, chairman of the French Atomic Energy Commission, said French pressurised water reactors, constructed since the early 1970s, were now showing an availability of 68 per cent. Coal-fired power stations, burning imported coal, were producing

electricity for 1.6 times the price of the new French nuclear stations.

He called nuclear energy "an economic trump card that I cannot believe the world will allow to escape."

Prof I. G. Morozov, from the Soviet State Committee for the Use of Atomic Energy, said nuclear energy had already made itself an inseparable part of world economics. It was cheap and safe means of producing energy, he said, forecasting that the "golden age of nuclear power lies ahead."

One big problem, as the Russians saw it, was that one third of the energy extracted from nuclear fuel today was re-absorbed in obtaining the uranium fuel.

This was why the Soviet Union placed great faith in the fast-breeder type of reactor which held the prospects of obtaining up to 100 times a much energy from uranium fuel. It was believed that, in fast-breeding cycles, which were expected to double the plutonium inventory of the reactor in 13-17 years. Fast breeder developments by Western countries, including Britain, assume a "doubling time" twice as long as this.

Skoda, the Czech engineering group, recounted its experience with orders for 21 units of the Soviet 440 MW pressurised water reactor (VVER 440). They are destined for the Soviet Union and its Comecon partners. The first two units have been delivered to Hungary and another 12 are on the production line. The factory is also tooling up to make the 1,000 MW version.

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AMERICAN NEWS

Flies fall victim to America's fiendish 'zapper'

BY PAUL TAYLOR IN NEW YORK

SOMEHOW, killing flies with a custom-built fly-swa, a rolled-up newspaper or whatever else seemed easy to hand always seemed a fair game. The endeavor involved a mixture of human patience, speed, control and plain low-down cunning.

Then came the sticky fly-paper, providing an essentially passive alternative, although results were somewhat less predictable. In sharp contrast, the aerosol poison spray can smack of underhand chemical warfare, and provoked environmentalists to speak in grim tones about a threat to the earth's ozone layer.

Now, however, there is a range of products more in keeping with the electronic age—a new breed of death machine, complete with science-fiction names like "Bug zapper," "Fish-kill" and "Flowtron." The advertisements talk of "black light," "sonic sound" and "miniature death, ray-guns," and read like something out of a fiendish comic strip rather than the promotional material for a fast-growing industry which boasts the participation of at least one of the corporate giants of the U.S. consumer goods sector.

These electrically-powered fly killers have evolved from serious research into the control of flying pests. Most of the commercially available machines use a bulb which emits near-ultra violet light (hence "black light") to attract flies through an outer grill and onto an inner high-voltage grid. There they are destined to meet a somewhat grisly death.

Few people seem sure why the machines work. As the U.S. Consumers Union—a non-profit making consumer research organization—pointed out in a recent report, modern explanations why insects are attracted to light seem scarcely less fanciful than the magical qualities attributed to freighth by previous generations.

Apparently one prominent entomologist believes that insects "seek light as an exit from confined space to a sort of paradisaical freedom."

Whatever the explanation, the consumers' organization which tested a dozen of the machines decided that they do indeed work and the sales figures support that conclusion. The sales of electric bug killers increased more than ten-fold in the five years to 1980, to over 1m units a year.

rapid consumer acceptance has continued despite the economic downturn. Certainly, judging by the advertisements for the machines, which range in price from about \$40 up to over \$100, the market, unlike the machines' targets, is still alive and well.

A typical newspaper ad for the \$49.95 "bug zapper" claims that the product "infinitely lures flying bugs, wasps, mosquitoes, lawn moths, flies and all others. It lures them from over one acre."

The ad continues: "It kills them instantly on the charged grid and disposes of them neatly in the unit's easy to clean, water-filled trap." Although many of the models are designed for the patio, terrace or garden, manufacturers also offer smaller versions for indoor use.

The Pestolite Patio employs what can only be described as a bizarre mechanism. The "black light" bulb is still there, behind a plastic screen, but the flies, attracted by the light, bump into the screen, their wings are swept off by a down draft from a miniature fan, and they drop into a tray of water and drown.

The Consumers Union, praising the silent bug-dropper, commented that "apparently bugs can be depended on to behave that way."

For disbelievers there is a 57-page report prepared by Underwriters Laboratories Inc. which the independent testing organization, which seeks to set standards for the industry's products which will come into force from January 1984.

Among those manufacturers represented at meetings to discuss the new standard was Charming Products, a division of Beatrice Foods, the U.S. food and consumer goods giant. Perhaps somewhat unfortunately, Charming's other major product is barbecue grills.

by "a special quartz crystal speaker" to send out unrelenting messages to mice, rats, cockroaches and other nasty creepy crawlies.

The manufacturers claim these machines, which look like miniature loud speakers, produce sounds which are harmless to humans but which "attract" the auditory and nervous systems of rodents and "certain insects, causing pain and discomfort."

The theory is that bugs greeted in this way turn tail and flee—probably to the next-door neighbour.

Reports of the success of such devices differ. One mail order customer returned her version complaining that the "no mess, no fuss approach to pest control" was also "no good."

It seems that many households are still wedded to the far simpler—and cheaper—"roach hotel" for controlling the ever-present cockroach threat which seemed to plague most U.S. apartment buildings.

Ecuador pledges debt repayment

QUITO — Ecuador will have to make a payment of \$148m (\$51.4m) by November 30 as part of its efforts to reschedule its short-term foreign debt, Sr Vladimir Alvarez, Interim Finance Minister, said yesterday.

He said: "The Ecuadorian Government, which has always fulfilled its commitments, will keep on showing that seriousness."

Bankers in London said last week that Ecuador urgently needs to restructure its short-term debt into a medium-term credit to avoid a financial crisis.

Sr Alvarez is in charge of the Finance Ministry following the resignation of Sr Jaime Morillo, the Finance Minister, who, bankers said, had preferred to raise shorter-term loans rather than pay the higher rates necessary for medium-term money.

Democrats plan to table \$1bn jobs creation Bill

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

DEMOCRATS in the U.S. Congress are seeking to capitalise on last week's humiliating defeat for President Ronald Reagan by pressing ahead with a fresh financial challenge to the Administration in the next few days.

Mr Tip O'Neill, the Democratic speaker of the House of Representatives, said he planned to table a Bill providing an urgent \$1bn (£655m) to create 200,000 public works jobs to help meet the nation's "worst internal crisis since the 1930s."

himself sensitive to the issue. In his ultimately unsuccessful effort to sustain his veto last week, he relied on a \$111m programme to provide community service jobs to the elderly, belatedly realising that challenge to the Administration to continue to oppose it.

Telephone workers strike in Bolivia

A strike by Bolivian state telecommunications workers which started on Saturday has seriously disrupted international and local telephone services, Reuters reports from La Paz.

Murdoch may take over ailing Buffalo newspaper

BY RICHARD LAMBERT IN NEW YORK

MR RUPERT MURDOCH, publisher of the New York Post, the London Times and a number of Australian papers, could be about to take over the ailing Buffalo Courier Express.

the paper's 850-strong workforce. The Express, which has week day sales of about 130,000, has been losing money at an annual rate of \$8.6m (£5m) on revenues of \$38m. Its closure would leave Buffalo—the second largest city in New York state—with only one newspaper.

Contract deadline forces concessions on Chrysler

BY DAN MCINTOSH IN DETROIT

THE CHRYSLER Corporation, whose three-year contract with the United Auto Workers expires at midnight tonight, is hoping to hang on to some of the innovative features of the current agreement which remain critical to its survival.

LAST-MINUTE negotiations between General Motors of Canada and the United Automobile Workers' Union, looked set last night to reach agreement and avert a strike, Nicholas Hirst writes from Toronto.

cent have voted for a strike, if a settlement is not reached by tonight's midnight deadline. Yesterday, both sides were optimistic that an agreement could be reached. The union said there was still a long way to go. But it looks likely that the Canadian workers will make similar concessions to those made by their counterparts in the U.S. in the last wage round.

Chrysler management wants its employees to contribute at least part of the cost of its company-paid health insurance. Mr Fraser has refused, and says pressing the matter could lead to "a confrontation."

Chrysler estimates its health insurance scheme costs approximately \$3.25 per employee hour, the equivalent of a third of take-home wages, or about \$350 per finished vehicle.

Chrysler is the last of the U.S. car companies to come to terms with the union, which normally negotiates three-year contracts simultaneously with the three largest U.S. car manufacturers.

Of the 33,600 UAW workers at GM Canada, chosen by the union as the target company for this year's round of pay negotiations, 92 per cent have voted for a strike, if a settlement is not reached by tonight's midnight deadline.

But Chrysler employees earlier gained a profit-sharing plan, which may yet prove advantageous. Also, UAW president Douglas A. Fraser gained a seat on the Chrysler board.

Chrysler estimates its health insurance scheme costs approximately \$3.25 per employee hour, the equivalent of a third of take-home wages, or about \$350 per finished vehicle.

Costs of such a health plan have been increasing faster than overall medical costs in the U.S., partially because more patient care has been prescribed by doctors, and hospitals reimbursed by private insurance.

Colombia ports hit by walkout

Colombia's ports federation ordered a nationwide strike yesterday to support the demands of 4,000 striking workers in the port of Buenaventura, on the Pacific coast, Reuters reports from Bogota.

Mr Rodrigo Mendoza, the Federation's president, said the 8,000 workers in Colombia's major ports of Cartagena, Barranquilla and Santa Marta will strike for an indefinite period.

OVERSEAS NEWS

Israeli aircraft raid against positions in eastern Lebanon

BY NORA BOUSTANY IN BEIRUT

ISRAELI aircraft carried out day-long attacks against Palestinian and Syrian positions in eastern Lebanon yesterday. Official Beirut radio reported that at least 40 people had been killed in the raids, the fourth series of air raids in the past six days and the most serious setback so far to the August 12 ceasefire in Lebanon.

Lebanese officials said that the aircraft bombed military positions along the road from Shtaura to Zahle in the Bekaa valley and extended up to the Marjayoun point on the Lebanon-Syria border.

Vatican defends policy on Israel

By James Sutton in Rome

THE VATICAN yesterday hit back with almost unprecedented fury and bitterness against Israeli Government criticism of the Pope's decision to receive Pope Yasser Arafat, the Palestine Liberation Organisation leader, on his controversial visit to Rome this week.

Bernard Simon in Johannesburg reports on Armscor's latest export drive

Pretoria aims for sales to foreign arsenals

LIKE ANY company faced with a slack home market and boasting a catalogue of new products, South Africa's arms industry is turning to foreign buyers to boost its revenues.

The latest of the new products was shown off for the first time last Saturday. After a champagne breakfast, Armscor, the state-owned weapons manufacturing and procurement agency, rolled out its G6 artillery vehicle, a 155mm gun mounted on a highly mobile six-wheel chassis. The vehicle has a top speed of 95km an hour.

Armscor manufactures only about half its requirements, consisting mainly of ammunition, propellants, missiles and aircraft. The rest are supplied by 800 private sector contractors, including many local subsidiaries of U.S. and European companies.

The South African arms industry is producing some equipment which is of very limited use to the local defence force. The new G6 heavy artillery system is a case in point. It seems far more suited to, say, an Israeli bombardment of Beirut than to the bush war in northern Namibia or for use against black nationalist guerrillas in South Africa itself.

Senior Armscor and defence force officials have been decorated by several of South Africa's fellow-pariah nations notably Taiwan, Argentina, Chile and Paraguay. Pretoria's ambassador in Chile is a senior retired defence force general. Several Armscor products (high naval craft, for example) closely resemble Israeli designs.

Iraq launches new peace initiative in Gulf war

ROME — Iraq believes Iranian forces are poised to strike deep into its territory and is launching a new initiative to bring an immediate end to the two-year-old Gulf war, the president of Iraq's national assembly said yesterday.

Naeem Haddad said the peace bid, to be launched at an international conference of parliamentary deputies in Rome this week, would call for an immediate ceasefire and withdrawal of all forces to internationally recognised boundaries.

Japan to consider fiscal package

BY RICHARD HANSON IN TOKYO

THE JAPANESE Government seems likely to decide early next month whether the country's sluggish economy needs to be stimulated by fiscal means.

2-3 per cent this year. Within the Government, the Economic Planning Agency, led by Mr Toshio Komoto, who also wants to be Prime Minister, is advocating a supplementary spending package to give the economy a boost in the latter half of the year.

As Yen 6,000bn short of target this year without additional spending proposals. The government will most likely be forced to cover this shortfall with an unwelcome float of government bonds some Yen 4,000bn greater than planned.

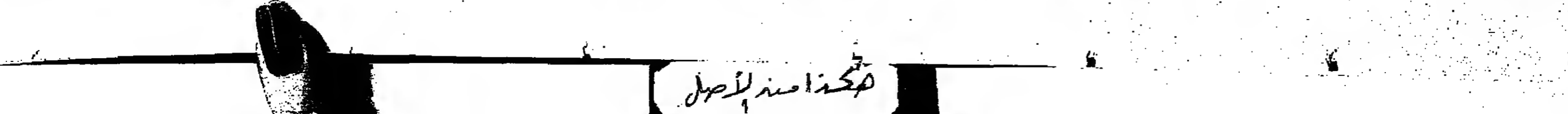
Australian trade deficit up despite weaker currency

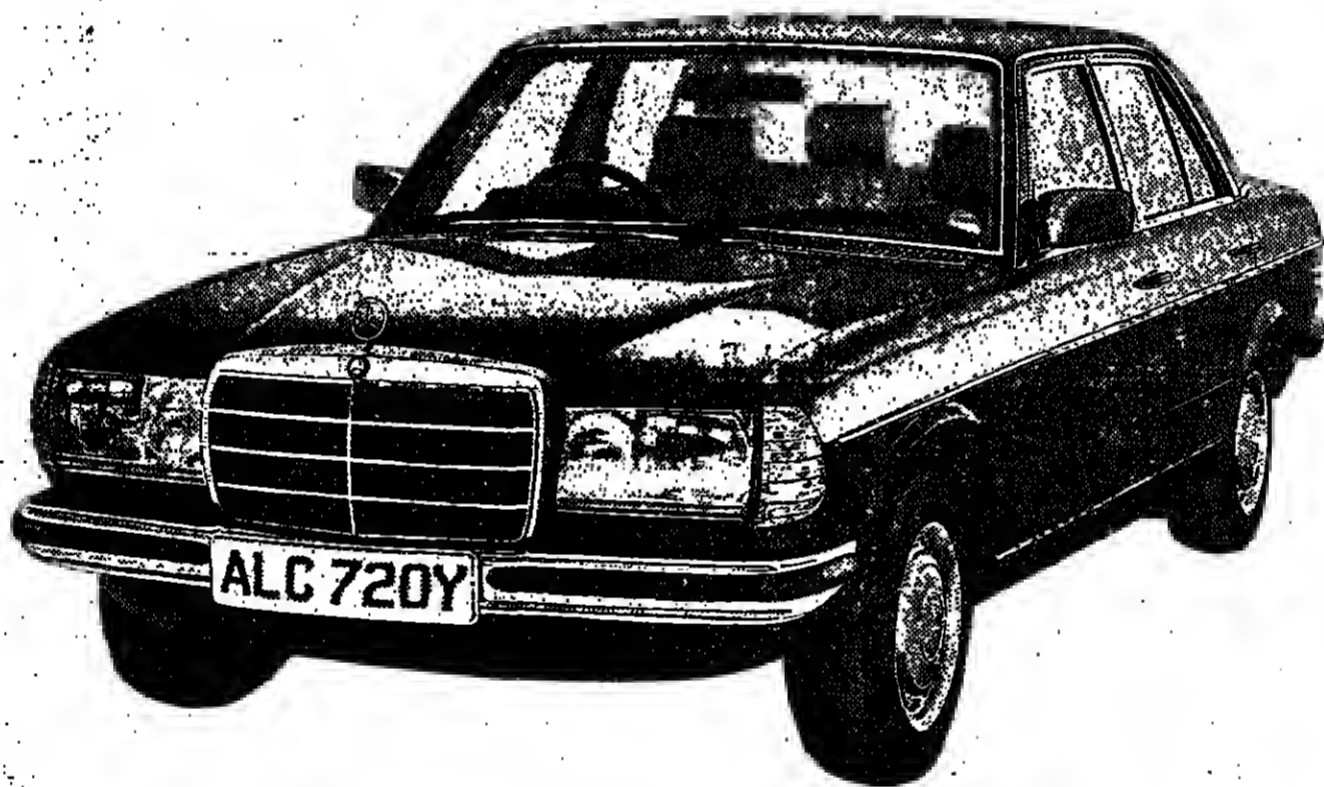
BY MICHAEL THOMPSON-NOEL IN SYDNEY

AUSTRALIA'S trade position worsened last month, despite a further weakening of the Australian dollar. Figures released in Canberra yesterday show that the trade deficit last month was \$316m (£177m), against \$265m in July and \$104m in August last year.

occurred despite a weakening of the Australian dollar against the U.S. dollar from 99.5 U.S. cents to 96.4 U.S. cents. Many observers believe the currency could weaken further.

The current strength of imports has caused surprise in Canberra, particularly given the downturn in other demand indicators. The Government Statistician said yesterday that the figure for August had been partly inflated by petroleum imports, though imports of transport and construction equipment were also high.





It's a difficult choice.

Choosing to drive a Mercedes-Benz is easy. Choosing *which* Mercedes-Benz to drive is not. Especially when it comes to the 2 litre, 2.3 litre and 2.8 litre series.

It may not appear to be a difficult choice. In fact, because the three cars in the series look almost identical, there doesn't seem to be any choice at all.

But if you get in, start them up and put your foot down, you'll find three completely different Mercedes-Benz saloons.

One of which is right for you.

The efficient Mercedes-Benz 200.

Maybe the nicest thing about driving the least expensive car in the series is that you'll never feel like you're driving the least expensive car in the series.

The acceleration is brisk. The cruising speed is 100mph. And it has the same quality of Mercedes-Benz inner peace and quiet as its larger-engined brothers.

The lively Mercedes-Benz 230E.

The '230' stands for 2.3 litre. The 'E' stands for Einspritz, meaning fuel injection. The combination leaves many other mid-size saloons standing still.

Zero offset-steering, double wishbone suspension and progressive power steering are just three of the many design features that give the 230E driver that legendary Mercedes-Benz 'feel' of the road.

The powerful Mercedes-Benz 280E.

The 2.8 litre, 280E isn't just fast. It's fast quickly. The fuel-injected, twin overhead cam, six-cylinder engine generates 185 DIN/hp effortlessly.

In fact, it actually feels as though the car appreciates acceleration.

It devours distance with the ease of a luxury saloon and the agility of a sports car.

So you're faced with a choice of three fine Mercedes-Benz saloons, right? Not quite. You also have two diesel options, with the 2.4 litre, 240D and the 3 litre, 300D.

The decision grows more difficult.

Features common to the series, uncommon in other marques.

The difference between a journey and a drive is not semantics. It's ergonomics. That means 'the efficiency of a person in his working environment'.

In a Mercedes-Benz, that translates to less stress. Because the less stressed you are

whilst driving, the more relaxed and comfortable the driving becomes.

The orthopaedically designed seats with springs tuned to the car's suspension. Superb all-around visibility. Efficient sound insulation and vibration dampening...all part of the engineering concept designed to reduce wear and tear on the car's most important component - you, the driver.


Further examples: the heating and ventilation system can keep the front seat passenger and driver at different individual temperature levels.

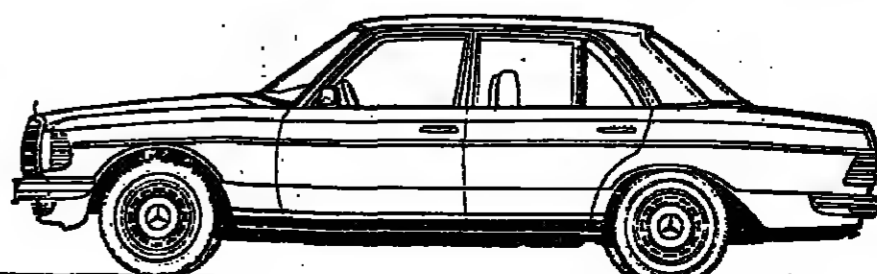
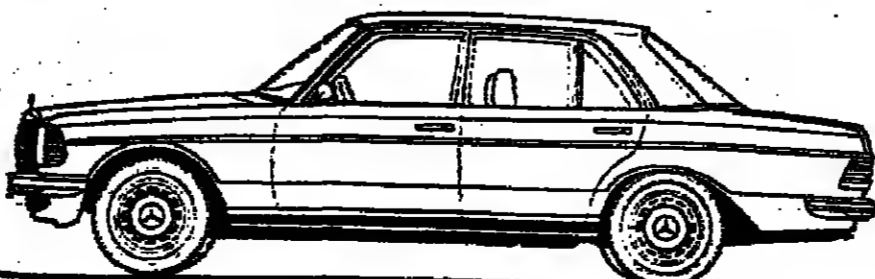
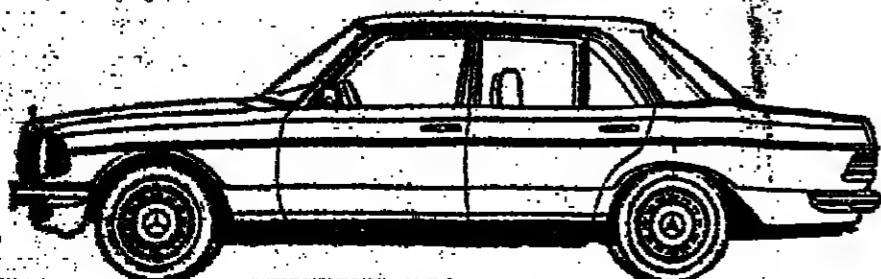
All the controls are intelligently laid out, to maximise your concentration on the road.

The instruments communicate quickly and clearly.

Engineering principles like these have always tended to make a Mercedes-Benz a slightly dearer car. Yet, the starting price for a 200 saloon is £9,130, (excluding number plates and road tax).

Which means that this, with five engine options, is not only the most versatile Mercedes-Benz series.

It also provides the reachable star.  Engineered like no other car in the world.



WORLD TRADE NEWS

FRESH PLANT FINANCING PACKAGE LIKELY

UK and India start steel talks

BY K. K. SHARMA IN NEW DELHI

TALKS HAVE begun between the British and Indian Governments on the involvement of British companies in the steel industry and these could lead to a fresh financing package to set up a new plant and modernise another one in the country.

The fresh negotiations do not involve Davy McKee for the turnkey contract for the Orissa plant which is now to be located inland at Daltari and not at the original coastal site at Paradip.

The prime contractor for this is now Metalurgical and Engineering Consultants (Mecon), the Indian public sector company which is to submit a feasibility report soon.

The Orissa plant is now to be built by Indian companies with foreign participation limited to equipment that cannot be manufactured indigenously. This could still be

substantial and would depend greatly on the financing that foreign parties can arrange. British finance participation in the project is now being discussed, although the original financing package consisting of export credits, commercial loans and British Government aid has lapsed.

This package would have financed the entire plant and one major difficulty the steel Ministry will have to overcome is that no provision has been made for it in India's current Five Year Plan ending 1985. It will thus be compelled to look for external financing.

Although the original financing package arranged by the British Government and such bankers as Lazard Brothers has lapsed, the experience gained in raising the large amounts involved is expected to be used to revive at least part of it for the Orissa plant.

The original package contained a special grant of £100m in addition to the normal British aid, and this is also expected to be reviewed in the new package.

NY moves ahead on state export bank

BY PAUL CHEESERIGHT, WORLD TRADE EDITOR

THE New York state authorities are drafting legislation which would permit the setting up of a state export bank to offer discounted loans to medium and small exporters.

The draft bill will be introduced in December. The state Government has moved ahead with the bill following receipt of a report, from an advisory panel made up of leading figures from New York financial institutions, which supports the establishment of a state export finance programme.

day, that he had not seen any material resistance to the programme at state level. The establishment of an export bank in the state could have a profound effect on U.S. export financing. States like California, Florida, Kentucky, Michigan, Ohio and Pennsylvania have all shown interest in the scheme, Mr Dempster said.

If they follow New York's lead, there would be a dramatic increase in the provision of official financing facilities, that should draw into the exporting net increasing numbers of American companies. The New York bill provides

Representative's office is enthusiastic. The bonds would provide tax-free income to investors of 11 per cent at present rates. But the Treasury is concerned about the forfeiture of tax income through investment in such bonds.

Mr Dempster plans this autumn to see Mr Donald Regan, the Treasury Secretary, in an attempt to convince him that the loss of tax revenue through the issue of bonds would be far outweighed by the increased taxes paid by individuals kept in work by the expansion of exports.

and other requirements and practices. The type of reactor to be studied includes KWU's 1,300 megawatt capacity plant. KWU's closest relation with Japan at the moment is with Nihon Selkoshu, a company which produces the key pressure vessel for its reactors.

As at the end of 1981, Japan was operating 23 nuclear power plants with a capacity of 15.7m kilowatts. It has another 18 planned or under construction. About 14.3 per cent of Japan's electricity, however, is now generated by nuclear plants.

Lisbon's former Africa colonies want own bank

PORTUGAL'S five former colonies in Africa—Angola, Mozambique, Cape Verde, Guinea-Bissau and Sao Tome—are actively discussing formation of a joint bank with a capital of \$50m (£29m).

Morocco trade deficit increases

BY FRANCIS GHILIS

MOROCCO'S balance of trade deficit increased, during the first four months of this year to Dirhams 4.4bn (£421m) from Dirhams 3.5bn during the same period last year.

This deterioration has occurred despite the efforts the authorities have made to open new markets for Moroccan exports, particularly fruit, vegetables, leather and textile goods.

First, rain last winter, for the first time in two years, means that the very large imports of grain which have been necessary until this summer will no longer be required.

Second, Arab aid and soft loans, whose value officially doubled last year to \$1bn (the real figure is higher as Saudi Arabia meets some of Morocco's defence requirements by paying the foreign suppliers directly) can be expected to increase further in the wake of King Hassan's skilful handling of the Fez summit last week.

The Belgian company Cobelgaz has won a turnkey contract worth \$100m (£53m) to construct a pipeline from the Hassi R'Mel oil field to the port of Arzew, Algeria's major oil and gas base near Oran.

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EEC makes textile pact with Colombia

By Larry Klinge in Brussels

A FURTHER EEC textile import agreement was announced yesterday by the European Commission.

The agreement came at the start of a new round of negotiations with the major Third World suppliers. This could be crucial as to whether the EEC member-states ratify the 1982-86 Multi-fibre Arrangement (MFA).

Gatt chief seeks Tokyo's aid on safeguards system

BY OUR WORLD TRADE STAFF

MR ARTHUR DUNKEL, director general of the General Agreement on Tariffs and Trade (Gatt) yesterday told the Japanese Government that he would like its full co-operation in formulating a world trade safeguards system.

Such a system would define the conditions under which a government would be able to impose import restrictions.

Discussions on safeguards centre both on the interpretation of Article 19 of the Gatt and on whether its wording should be changed. The Article permits governments to introduce safeguards if a surge of imports injures domestic industry.

The Commission said it had reached a provisional agreement with Colombia on procedures for new limitations. This brings to 15 the number of countries with which the EEC has reached preliminary accord and boosts the coverage of the new agreements to well over 50 per cent of Community imports.

But as the basic principle of the Gatt is non-discrimination, the Article has been traditionally interpreted as meaning that if safeguards are to be introduced, they should cover all suppliers.

Discussions so far have been caught in a stalemate because of the EEC's desire to have the safeguards system applied selectively—that is, against particular suppliers. This view is opposed both by the U.S. and a large number of developing countries.

Kraftwerk in Japanese N-study

BY RICHARD HANSON IN TOKYO

TOKYO Electric Power Company has asked Kraftwerk Union AG (KWU), West Germany's largest nuclear reactor builder, to conduct a feasibility study on introducing its standard pressurised water reactor (PWR) into Japan.

As the first reactor Japan purchased from the U.S., the U.S. has monopolised the market for both PWR, used by other Japanese power companies, and BWR plants.

The study will try to determine whether the West German reactor meets Japanese safety and other requirements and practices. The type of reactor to be studied includes KWU's 1,300 megawatt capacity plant.

Lufthansa order for Norway

BY FAY GJESTER IN OSLO

TANDBERG DATA, a part of the former Norwegian Tandberg company now owned by Siemens of West Germany, is to supply 1,800 terminals for installation at Lufthansa Airlines' sales and traffic offices throughout Europe.

Lufthansa, the West German airline, has ordered the terminals from Siemens AG for delivery between now and the end of 1984, with options for a further 200. The value of the contract is Nkr 20m (£1.69m).

Mr Hans Lodrup, the managing director, says the deal is promising because several airlines are likely to be renewing their terminal equipment soon. In the past, most have bought U.S.-made terminals. Lufthansa's order could set a new trend.

Greeks snap up second-hand tanker bargains

By Our Shipping Correspondent

GREEK and Far Eastern shipping operators have taken advantage of depressed prices to buy up large amounts of second-hand tonnage this year. Their hope is that shipping markets will recover in time to make such speculative purchases worthwhile.

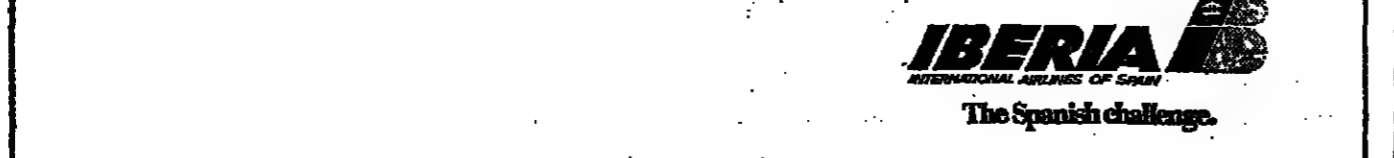
H. P. Drewry, a leading London-based shipping consultant, said these traditionally low-cost operators had weathered the depression better than any other group. They seemed set to continue their fleet expansion this decade, it added in a study of the second-hand tanker market and the bargains now obtainable.

Other pacts provisionally agreed include four in Asia (Thailand, Pakistan, Sri Lanka and Bangladesh) and all the relevant Eastern European bloc state trading exporters (Romania, Bulgaria, Poland, Hungary and Czechoslovakia).

Advertisement for Iberia airlines showing four classes: Grand Class, First Class, Preference Class, and Economy Class, each with an airplane icon and stars.

Iberia announce four great ways to fly.

These symbols identify the new classes which Iberia, International Airlines of Spain, bring you now. In Iberia's Grand Class, everything is designed so that you will discover the ultimate pleasure of flying.



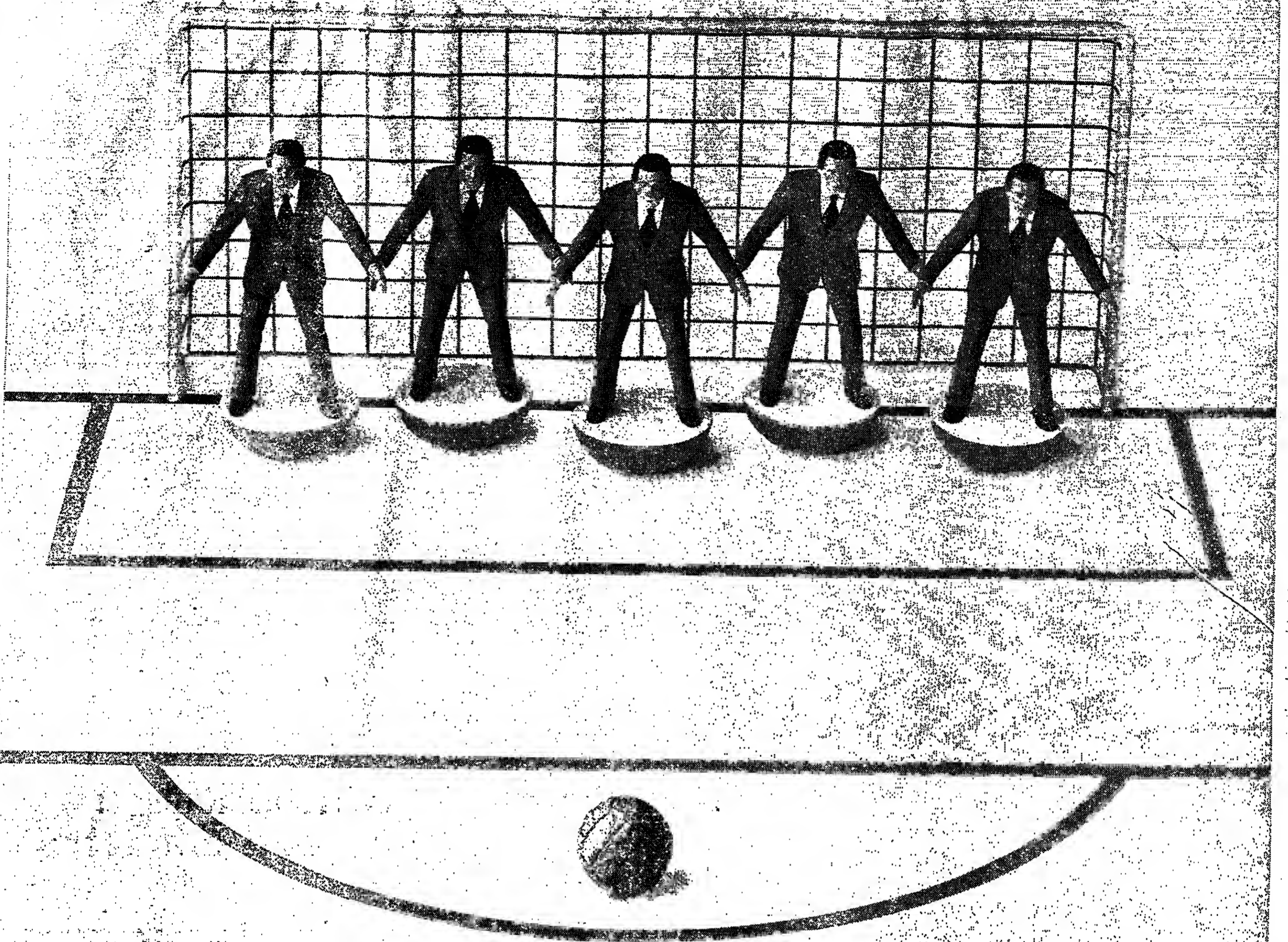
Advertisement for Ladbroke Index, titled 'Announcing the futures market that doesn't need a deposit. Ladbroke Index.' It includes a form for requesting more information.

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As one of Japan's leading commercial banks with 236 branches throughout the country and US\$30 billion in assets, Kyowa Bank knows that essential to our success is our ability to work with people.



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WHATEVER HAPPENS MAKE SURE YOU'RE PROPERLY COVERED.

If you know exporting, you'll know that things are liable to go wrong. Exchange rates can fluctuate. Payments can be delayed. And worst of all, buyers can go out of business.

Insurance is one way of avoiding heavy crippling losses on export deals. At Barclays, export insurance is one of our strong points.

We can recommend what kind of insurance policy best suits your operation, problem and pocket.

In addition to helping you with your insurance, we can provide the necessary finance.

There are ECGD guaranteed loans with low fixed interest rates for capital goods—in certain cases available even if you don't already have ECGD arrangements. Or should you wish to cover your deal completely without recourse, Barclays have, through our own Export Finance House, the flexibility to offer you 100 per cent cover, while still allowing you to benefit from the advantages of ECGD.

Our ways of helping to make your finance cheaper make it easier for you to compete, and for your buyer to pay. The savings could make the difference between getting the order or not.

These are a few of the ways we can help you.

To learn the full extent of our services and how we can meet your particular needs, speak with your nearest Barclays branch manager soon.

He'll give you advice you can trust. He'll make sure you're properly covered.



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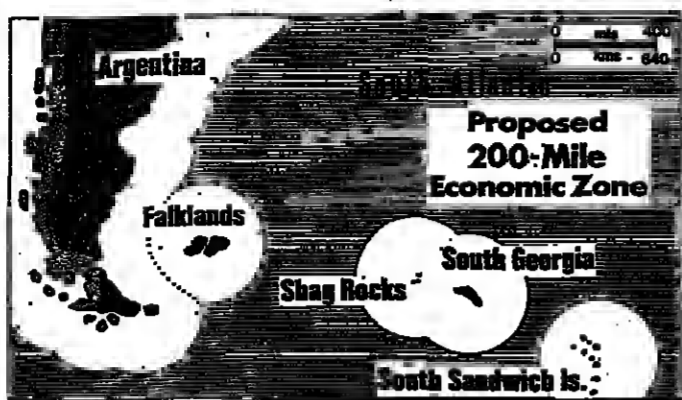
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UK NEWS

The expensive legacy of Britain's long neglect of the Falkland Islands

David Tonge examines the implications of Lord Shackleton's comprehensive economic report



The Falkland Islands Company in particular owns 43 per cent of the islands' land. Development of local roads and eventual construction of a £3m-£5m jetty for Port Stanley.

estimated cost of £750,000 over three years. Lending support to a pilot salmon ranching scheme, costing £300,000 over three years...

knitwear industry. The report says: "There can be no avoiding the fact that the public funds required to implement the reorganisation of the Falklands' economy are quite substantial relative to the size of the population."

and, without considerable care, could be damaging in the longer term. Most of his remarks are addressed to the British Government and are aimed at giving the islanders the stable and diversified economy which he argues they need.



LORD SHACKLETON, author of the Falklands' report

Labour to focus attack on Militant inner core

SOME OF the eight Labour prospective parliamentary candidates to support the far-left Militant Tendency might not, after all, be expelled from the Labour Party.

Refiners aim to set retail petrol price of 176p

BY RAY DAFTER, ENERGY EDITOR

OIL REFINERS are leading a campaign for higher petrol prices which would result in motorists paying 4p to 5p a gallon more.

provided their dealers with financial support to remain competitive and retain market shares. Early last month companies raised prices by about 5p a gallon in the hope of establishing a reference point of about 172p-173p.

near to break-even. Texaco, with 1,800 outlets, introduced a reference of 175.5p a gallon from midnight last night. It said it was trading unprofitably and commented: "We do not see this as a bonanza. What we are trying to do is to struggle back into profitability."

State-funded aircraft may be built abroad

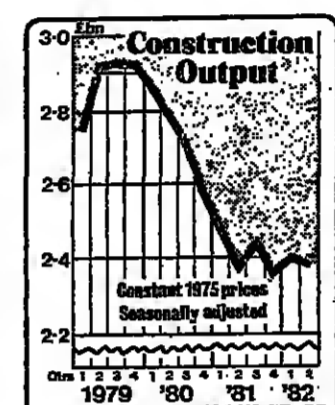
By Lynton McLain

THE state-controlled British Technology Group is to decide this week on the future of the Fieldmaster aircraft. Its designer wants to build it abroad after obtaining £800,000 in financial support from the National Research Development Corporation, a BTG offshoot.

Construction shows no sign of recovery

BY ANDREW TAYLOR

THERE IS still no sign of any significant recovery in construction output, judging by the latest figures published by the Environment Department. These show that construction output declined by 1.5 per cent in the first half of the year compared with the corresponding period last year.



Component deals signed by Motorola and Lucas

By Jason Crisp

LUCAS, the UK motor components company, has signed two agreements, on both the supply and technology of electronic components, with Motorola, the U.S. electronics company.

RGC wins £11m British Gas order

BY MARK MEREDITH, SCOTTISH CORRESPONDENT

BRITISH GAS said yesterday it had placed an order worth £11m with RGC Offshore at Methil, Fife, for the fabrication of a jacket for the Morecambe gas field in the Irish Sea.

part of a £16m order. RGC is assembling the jacket structure for Mobil's Beryl B development, which it says will be the largest and heaviest fixed-platform structure delivered in the UK sector next year, having a load-out weight of more than 13,000 tonnes.

Delivery is due next summer. RGC in June reported its most successful trading year to date. In difficult conditions for most fabrication yards.

International boost for energy concern

BY OUR ENERGY EDITOR

THE SMALL Bedfordshire concern, Energy Equipment Company, which designs specialised plant for burning solid and low-grade fuels, has been given a boost in the international market following its acquisition last year by Petrofina, the Belgian oil company.

Mr Harry Cross, deputy chairman and company founder, said the group was setting up its own overseas section with personnel seconded from Petrofina offices in Western Europe.

£984,000, has been placed by Ectona Fibres of Worthington, Cumbria. This is for the installation of a fluid bed boiler with a capacity of 60,000 lb of steam an hour.

GEC-Telecommunications chief quits

BY JASON CRISP

THE managing director of GEC Telecommunications abruptly left the company yesterday, Mr Douglas Morton, 58, had been with GEC for 12 years. No reason was given for his sudden departure.

His switching business, Mr Morton remains a main board director of GEC but the company will not comment on his future role.

coincides with a splitting of the company's telecommunications activities. Private systems are to be the responsibility of GEC Information Systems headed by Dr Nigel Horne, 38, while GEC Telecommunications will concentrate an equipment for the public network.

F. H. Lloyd buys foreign equity with technology

BY ALAN PIKE, INDUSTRIAL CORRESPONDENT

F. H. LLOYD, the leading British steel castings group, yesterday announced an agreement to supply technological information in return for equity in an Asian foundry company.

pected that, by the end of the four-year arrangement, Lloyd will own 20 per cent of the Asian company's equity. Inalco manufactures castings in Singapore for the oil, nuclear valve, petroleum, petrochemical and mining industries. Its products are marketed throughout Asia and the U.S.

Metal Box's hot-dip tinsplate plant falls victim to old age and high prices

THE LAST example of a technology which once made Swansea's hinterland the centre of the world's tinsplate industry has just been closed down at Metal Box's Eaglesbus plant at Neath, South Wales.

Robin Reeves on the death of an old technology. The company hought from all over the world. But it has finally been killed by technological advance, the recession and, above all, the recent upsurge in tin prices.

The sheets were then fed, originally by hand, in an overlapping sequence into a box of boiling zinc chloride, through the "pot" of molten tin, and then through a set of rollers, to determine the thickness of the tin deposited on the sheets.

The closure has inevitably been tinged with regret. It has not only resulted in 54 redundancies, though these are being absorbed through early retirement and voluntary severance, but it has also rendered obsolete skills in the tinsplate manufacture which have been handed down for generations.



The UK's last hot-dip tinsplate plant: destined for Swansea's Industrial and Maritime Museum

Dunlop may invest more at Coventry

By John Griffiths

DUNLOP ENGINEERING is considering further investment at its Coventry vehicle wheel-making plant to increase productivity. The company has had initial contacts with Department of Industry officials about the possibility of selective assistance for such a project under the Industry Act.

Rank to handle Orion films

AN AGREEMENT has been reached by Orion Pictures Corporation and Rank Film Distributors by which RFD is granted theatrical and television distribution rights in the UK and Ireland for all Orion feature production. Orion has 12 films in stages of production.

Plan to control fare subsidies

THE FIASCO surrounding the implementation and then withdrawal of the Greater London Council's cheap fares policy has focused attention on the issue of fare levels and subsidies for public transport.

The Government is proposing legislation to be introduced as a Bill this autumn to clarify the position on what is reasonable to spend on subsidising fares. It is intended that it should become law by February 1983.

The Government will argue that following the judgments of the Law Lords in the case of the London Borough of Bromley versus the GLC, and that of the High Court in Great Universal Stores versus Merseyside, which came down against large subsidies from the rates in the former, and permitted them in the latter, it is necessary to remove damaging doubt. The legislation will accordingly provide for guidelines to be established for the metro-

Hazel Duffy looks at the difficulties facing government attempts to legislate on local authority transport policies. In the first of a series she looks at South Yorkshire, where fares have not risen since 1975.

Metropolitan county councils, in consultation with the councils, on an appropriate subsidy level. It will mean, in effect, that the cheap fares policies attempted by the GLC and already in operation in some other conurbations, will have to be modified.

In drawing up this legislation Mr David Howell, Transport Secretary, will be taking heed of the Government's aim of curbing local authority spending—public transport subsidies being seen as a major offender—and trying to do something to ease the rate burden on commercial and industrial ratepayers.

He will also take the oppor-

fringement of local democratic rights.

So far, they have refused to co-operate with attempts by the Department of Transport to prepare the ground for guidelines.

If the legislation is framed in what they see as the uncompromising terms proposed by Mr Howell, there is a distinct possibility that they will go on subsidising transport well in excess of the expected guidelines, paving the way for further legal action.

Legal opinion in the metropolitan counties is that the subject is a legal minefield, and that the Government may have considerable difficulty in framing legislation which will clarify the issues.

Mr Howell, however, is determined to press ahead with legislation which will be popular with the backbenchers. Apart from the GLC, South Yorkshire—which has not had a rise in fares since 1975—is seen as the prime offender.

S. Yorkshire fights to keep its 3p bus rides

SOUTH YORKSHIRE is big on buses and low on fares, and the Labour-controlled county council wants to keep it that way. Fares on buses—the main mode of public transport in the predominantly urban area covering Sheffield, Doncaster and Rotherham—have been frozen since 1975. This represents a reduction in real terms of two-thirds and makes fares there the lowest in the country. Rail fares on services subsidised by the county are also the lowest in the UK.

The effects of the cheap fares policy, combined with traffic planning which gives priority to buses, is plain to see. The services are punctual, frequent and popular. They are planned to take people where they want to go at the times they want to travel, and fares start at 3p, with children travelling mostly for 2p and pensioners travelling free outside peak hours.

The number of people using buses has increased by about 2 per cent a year since the policy was introduced except for last year, when the assumption is made that the recession was the cause of a drop in passengers. This contrasts with most other public transport systems in the UK where use has declined.

South Yorkshire sees no reason to change its policy. The Labour councillors believe they would have been able to continue with it in spite of the Government's disapproval if the Greater London Council's fare-cutting policy had not

drawn so much attention to cheap fares. They now know that they, along with the GLC, are the prime targets for the Government's proposed legislation.

When notifying the council of the Transport Supplementary Grant for 1982-83, the Department of Transport said: "The Government has made it quite clear that it will not subsidise extravagance of this kind which pre-empt resources needed for transport investment. The Secretary of State has accordingly accepted for grant a level of expenditure which in his view represents a realistic level of subsidy." This "realistic view" is put at £15.326m, split £12.475m on buses and £2.851m on rail.

Council officials estimated in November last year that the total transport subsidy needed to maintain present fare and service levels in 1982-83 would be £64.9m. The subsidy as a percentage of passenger transport gross expenditure (that is, before receipt of fares) is estimated at 76.9 per cent in 1982-83. In 1975-76, at the outset of the cheap fares policy, the figure was 39.7 per cent.

South Yorkshire has been challenged only once on its policy, and that was by Mr Bill Rodgers, Transport Secretary in the last Labour government, who in 1976 withdrew the Transport Supplementary Grant to try and get the council to fall into line. An election followed during which the coun-

cil said it would raise the extra ratepayers, and it was duly re-elected. The Law Lords' judgment on the GLC policy last December shook the confidence of South Yorkshire, but legal advice pronounced it safe after the Merseyside judgment.

The present Government's dislike of the policy is shared by the business community in South Yorkshire. The subsidy on passenger transport is paid 47 per cent by central government and 53 per cent by ratepayers, and non-domestic ratepayers are bearing more than half of the precept burden.

Sheffield Chamber of Commerce, with support from the Yorkshire and Humberside region of the CBI, has campaigned against what it sees as an unacceptably high level of rates in the area and the impact it has had on the business sector.

Mr Douglas Iverson, director of the chamber, says it favours subsidies for the elderly and schoolchildren and for socially necessary routes, but disputes other subsidies.

"In the steel melting, rolling and forging industries, employers are paying more than £1,000 a year in rates for each employee because of a quirk in the law which means that rates are paid on fixed plant as well as buildings," he says.

"One of the reasons for Sheffield being transformed from a prosperous city into one where unemployment is above the national average is the rates we

are paying to subsidise cheap transport.

A survey poll among shoppers in Sheffield High Street in mid-afternoon suggests that most would be prepared to see their fares go up but not by much. Fares are a live issue in South Yorkshire and people there are more aware of the implications of the Government's proposed legislation than anywhere else in the country.

Mr Alex Waugh, chairman of South Yorkshire's transport committee, says it is impossible to predict the size of increase in fares that would be necessary to cut the council's spending. Mr Roy Thwaites, leader of the council, sees the issue as a threat of central Government interference beyond transport.

It seems unlikely that South Yorkshire will co-operate in discussing guidelines with the department of Transport. This, the department's officials say, will make life more difficult, but not impossible.

Mr Waugh believes the Transport Secretary's aim to have legislation on the statute book by February is particularly unfortunate when the results of two important independent studies into the impact of cheap fares are still awaited.

But he is confident that the campaign being mounted by the Association of Metropolitan Authorities, and the support of Labour MPs and, it is hoped, the transport trade unions, will make it very difficult for the Bill to be enacted within Mr



Super 80 soars to new heights when compared with the 737 in new passenger survey.

Knowledgeable flyers choose Super 80 twin-jet eight-to-one over competition.

The McDonnell Douglas Super 80 absolutely flew away from the two-engine 737 when passengers on the two planes were asked to pick a favourite.

In responses from more than 1,800 passengers, the Super 80 was rated "very appealing" more than twice as often as the 737. Knowledgeable flyers expressing preference – passengers who know what makes their trips more pleasant – picked the Super 80 over the 737 nearly eight times out of nine.

The survey was conducted on board 737s and Super 80s flown by the same airline, comparing the same routes, the same days of the week, the same fares and even the same interior colour scheme. The new Super 80 was a decisive choice – a winner on every point of passenger comparison. It was chosen for cabin quiet; quality of ride; leg, arm and shoulder room; carry-on luggage facilities; and seat-to-aisle access.

The Super 80 was a three-to-one choice of passengers surveyed in an earlier comparison with 727 tri-jets.

For more details of these surveys, write: **Travel Industry Affairs, McDonnell Douglas, 3855 Lakewood Blvd., Long Beach, CA 90846.** And for greater comfort when you fly – wider seats and aisle and an exceptionally quiet ride – choose the Super 80. The one most passengers prefer.

Urban fringe reclamation scheme to be extended

BY IAN HAMILTON FAZEY

AN EXPERIMENT in reclaiming derelict land on the fringe of a major conurbation is to be extended to a further five areas in the next year, Mr Michael Heseltine, Environment Secretary, announced in Liverpool last night.

Operation Groundwork, begun on the Merseyside urban fringe earlier this year, and involves 83 sq miles of Knowsley and St Helens. About £10m will be spent up to the end of 1986.

Much of the land will be restored to profitable farming.

Mr Heseltine said he would give full details of extending the scheme at a conference in Wigan, on October 11. Local authorities, through which public money for suitable projects will be channelled, will then have to bid to become one of the five areas.

The scheme works through a trust initiating and co-ordinating projects designed to bring

derelict land on the urban fringe back into use.

Some of this land may be derelict because it has been spoiled by industry, and some abandoned by farmers, as a result of vandalism, or theft of crops, such as vegetables.

The trust brings together local authorities, industry, landowners, farmers and community groups, and aims to restore land for farming and recreation.

Mr Heseltine is understood to

have been impressed by the trust's performance on Merseyside in pulling together diverse interests from the public and private sectors and channelling resources cost-effectively to cover its running costs with little extra expenditure. This ensures good value for money, while involving local communities in the project.

The trust also provides essential farming and landscape design services

£2m boost for Television International

By James McDonald

TELEVISION INTERNATIONAL – a company in the Rank Phocom Video Group, which supplies expertise, equipment and people to the television industry – is to invest £2m in equipment and premises.

The Rank Phocom Group is jointly owned by the Rank Organisation and Phocom.

Television International, which is changing its name to TVI, offers video broadcast and programme makers packages on complete production.

Mr Ian Reed, managing director of TVI, said the £2m investment against an annual turnover of about £5m, was essential to remain in the forefront of a highly competitive industry. "This market is going through many rapid changes. It is fragmenting, becoming disorganised. More people and companies are specialising. To survive, it is essential that you have the best people offer the best service, have the best equipment

'Indirect discrimination' in car insurance rates

BY LISA WOOD

INSURANCE companies which increase car insurance premiums for people who have not lived in Britain for three years may be indirectly discriminating against blacks and people born overseas, the Commission for Racial Equality, says today.

The Commission says it is common for insurance companies to load premiums for people who have not normally been resident in the UK for three years.

In some cases the loading is discretionary. In one it is invariably two thirds.

"Such practices clearly have a disproportionate adverse impact on certain racial groups (as defined by the Race Relations Act)," the commission says. "Unless the companies can justify these practices they are indirectly discriminatory."

The commission is to discuss the matter with the Department of Trade and the Accident

Ulster to send five industry envoys to U.S.

By Our Belfast Correspondent

NORTHERN IRELAND is to strengthen its industrial development drive in the U.S., the province's newly-formed Industrial Development Board announced yesterday.

Five more representatives are to be flown out over the next few months. Three will join existing offices in New York and Chicago, and the other two will go to new posts in Houston, Texas, the centre of the U.S. oil industry, and Atlanta, Georgia.

Mr Saxon Tate, the board's chief executive, said: "For many years the U.S. has been the main target for industrial promotion efforts. We have some 37 American-owned companies in Northern Ireland employing about 18,000 people. This is 13 per cent of the total manufacturing workforce. The board recognises the potential markets to provide job creating prospects for Northern Ireland."

There is no firm statistical evidence on this, the Commission says. The commission's comments arise in part from a formal investigation into Zone Insurance, a Birmingham broker. The investigation started in 1978 after a Ghanaian complained that Zone refused to sell him an insurance policy for which his wife, who is white, had been quoted £59.

The commission finds that while Zone, which has gone into liquidation, was discriminating unlawfully by offering motor insurance at higher premiums to blacks and persons born overseas, there is no evidence that it was doing this on the instruction of the various insurance companies concerned.

Pharmacists' responsibility for prescriptions affirmed

BY RAYMOND SNOODY

PHARMACISTS HAD the "final and absolute responsibility" of deciding whether a prescription should be dispensed, Mr Henry Howarth, president of the Pharmaceutical Society, said yesterday.

Mr Howarth told the society's annual conference in Edinburgh that this had been recently reaffirmed by the High Court, which decided that a pharmacist who dispensed a prescription containing an overdose was guilty of negligence.

"As a trained specialist, a pharmacist has a duty to the patient for whom he dispensed the medicine, on a par with the duty which the doctor who prescribed the medicine had to the patient," Mr Howarth said. The rate in question involved a patient who lost part of both

feet through gangrene because of a faulty prescription. The woman sued and received £100,000 in agreed damages. The pharmacist, who had not queried the prescription, was held to be responsible for 40 per cent of the sum.

"The system whereby a doctor prescribes and a pharmacist dispenses is not intended for the financial benefit of either or both, but is designed to protect the patient from those errors which can always creep into any human system," Mr Howarth said.

Aggressive doctors' receptionists could be putting lives at risk however, by obstructing pharmacists who wanted to check a doubtful prescription, Mr Tim Astill, director of the National Pharmaceutical Asso-

ciation representing Britain's 10,000 retail pharmacists, told the conference.

In one case a woman was prescribed a "substantial" quantity of the drug ergotamine.

The prescriptions were queried many times but when pharmacists tried to contact the doctor the receptionist refused to call him to the telephone and told them to make up the prescriptions as written. Eventually the patient had to be admitted to hospital suffering from drug overdose and it took several weeks to wean her off the drug.

Of these 47 prescribed overdoses, 89 were for the wrong medicine, 599 specified no strength, 288 stipulated no quantity and 49 were illegible.

Mr John Lee, a member of the Pharmaceutical Society's council, warned that pharmacists needed to be "particularly vigilant" in supplying addictive medicines to doctors and nurses because "these groups have a statistically high rate of drug abuse."

Frequency of purchase is one of the reliable signs of the abuser, as are the thickened lips of the licence addict, having the correct money ready, especially after a recent price rise the refusal to accept an alternative or the request for an equally addictive alternative," Mr Lee said.

Super 80

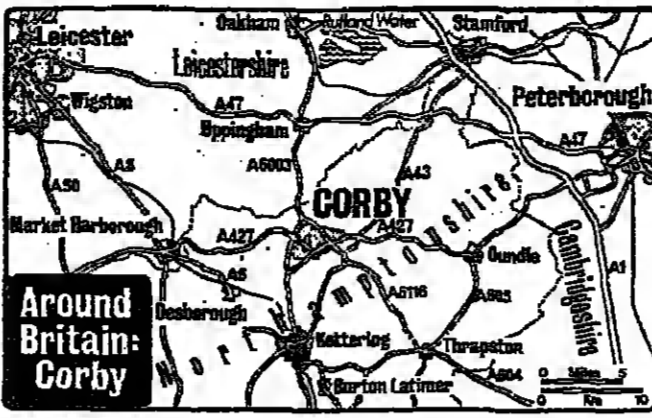
MCDONNELL DOUGLAS

Survey data collected and processed by independent researchers.

UK NEWS

Enterprising Corby's wonderful dream

Anthony Moreton visits a town fighting back against unemployment



Around Britain: Corby

THE POSSIBILITY that Corby could be the home of Britain's first holiday centre on the lines of Disney World stretches the imagination almost to the point of disbelief. Plans released in London last week, though, show that the concept is well on the way to reality.

Group Five, the promoter, is seeking to raise about £200m to launch WonderWorld on a site owned by the British Steel Corporation.

Mr Fred McClenaghan, the Corby director of industry, a 38-year-old Ulsterman, is delighted. If it comes off, the leisure park could employ up to 3,200 people—an enormous bonus in a town where not only 6,000 people are out of work, but half of them have not had a job for a year.

De Lorean and Nissan were in the news and so I thought of a development area. We saw the Highlands and Islands Development Board, rural Wales and Consett. It was the enterprise zone which swung us towards Corby.

during the week and returns to her husband and two children in South London at weekends. "It was the enterprise zone which swung it for us. BSC (Industry) tried to get us to go to South Wales but you have to be near London or High Wycombe in this business and Corby is just fine.

Ward White has plans afoot to expand at home and abroad

Lisa Wood on a shoe maker's acquisitions in the U.S. and up-market product launch in its home market

WARD WHITE, the Northamptonshire footwear group, is not a company to let the grass grow under its feet.

acquisition of G.B. Britton, whose production was almost all branded footwear, such as the Tuf brand. Only a quarter of Ward White's was. Ward Footwear was acquired in 1972.

In 1979, Ward acquired Portland Shoes, maker of wider fitting shoes. "The Italians had not toiled up for this section of the market," said Mr Sharp. "The Mediterranean foot tends to be narrower than the northern European one."

Cosmetics spending recovery predicted

A RECOVERY in consumer spending on cosmetics and toiletries in the next few years is forecast today in a report from the Staaland Hall Associates research company.

Tannoy buys Tresham Audio amplifier plant

TANNOY, THE loudspeaker manufacturer, has bought the plant and equipment of Tresham Audio of Peterborough, to expand production to include amplifiers.

Cadmium-scare village given clean health bill

THE HEALTH of residents in the pollution-scare village of Shipham in Somerset was yesterday given a final all-clear in an official report.

Shoe industry in deep depression

WARD WHITE'S strong performance is one which nearly every other company in the industry would like to emulate.

85p doesn't go far these days. It does now. Includes image of a terminal and text about RRC Viewdata.

Labour and unions 'share some blame for jobs loss'

SOME OF the responsibility for the high level of unemployment must be taken by Labour Party leaders and by trade unionists, according to Mr Cecil Parkinson, the chairman of the Conservative Party, in a by-election speech yesterday in Gower.

Council shares out jobs

STAFFORDSHIRE County Council today pioneers a job sharing scheme to help unemployed school-leavers.

Gap in international laws

THE ABSENCE of any means for resolving disagreements between nations on the application of one country's domestic law to business activities taking place in another country causes insecurity, higher business costs and damaging confrontations between otherwise friendly nations, according to a report published this week.

New York for insiders. HOTEL Westbury NEW YORK. Includes image of a person and text about hotel services.

Gloucestershire Industrial Trade Fair. Computers to forks, lifts, packaging to heating - it's all at this huge event (200+stands) at Cheltenham Racecourse.

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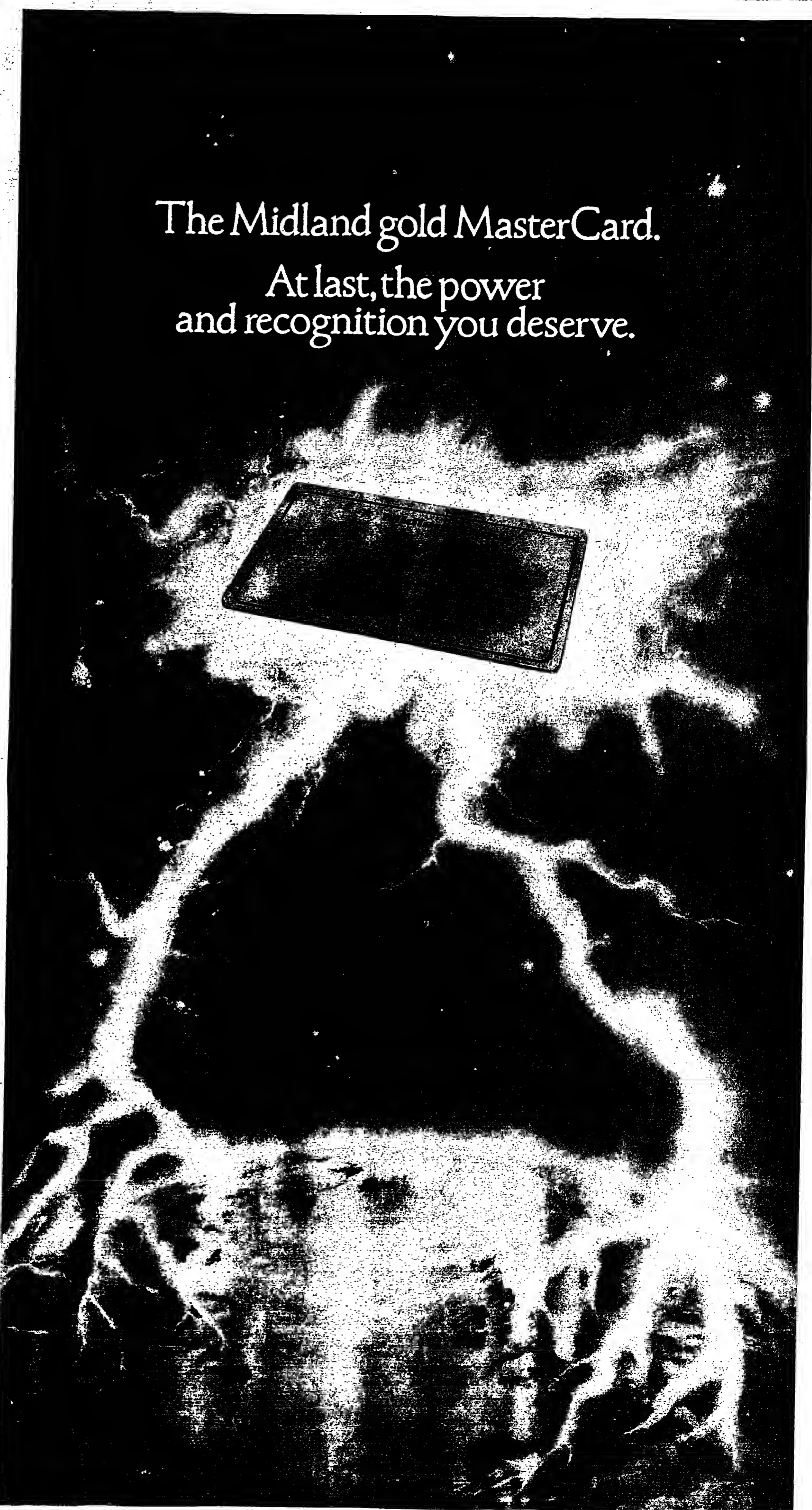
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UK NEWS - LABOUR

Voluntary groups threaten to boycott jobs scheme

By JOHN LLOYD, LABOUR EDITOR

THE NATIONAL umbrella for voluntary groups has said it will recommend its local affiliates not to take part in the Community Programme Scheme, which is aimed at replacing the Community Enterprise Scheme for the long-term unemployed.

The decision, taken over the weekend by a delegate meeting of the National Association of Councils for Voluntary Service, will come as a severe blow to the Manpower Services Commission, which administers the scheme.

Barclays suspends Bifu member

By OUR LABOUR STAFF

TALKS WERE taking place last night between Barclays Bank management and officials of the Banking, Insurance and Finance Union, following the suspension of a Bifu member in Derby who refused to handle Saturday-related work.

The one Bifu member suspended yesterday was Mr Richard Massey. He works at the St James's Street branch in Derby. Mr Massey is chairman of Bifu's West Midlands area council.

Bank of England staff plan union link

By BRIAN GROOM, LABOUR STAFF

LEADERS of the Bank of England Staff Organisation are to begin talks on a possible merger with the largest finance industry union, the TUC-affiliated Banking, Insurance and Finance Union.

and includes some middle-to-senior management. The decision was taken by the staff union's executive council by 17 to four. Talks with Bifu will begin in about a fortnight, followed by a special conference of the organisation on November 16 and a secret ballot of members in February.

Sugar beet harvest disruption not likely

By David Goodhart, Labour Staff

A CAMPAIGN of industrial action aimed at disrupting the British Sugar Corporation's autumn sugar beet harvest is now unlikely following the majority of the 2,700 process and clerical workers accepting BSC's pay offer.

After mass meetings and some union-organised ballots over the past few days at BSC's 13 plants and three packaging factories, it is believed that 13 sites have accepted the offer and three have rejected it.

BSC estimated the pay offer at 9.5 per cent for most process and clerical workers and has said it would go ahead and pay the increase from Friday, backdated to April. The decision to go ahead, despite continued union rejection, followed a company ballot in which 55.1 per cent of those eligible to vote accepted the deal.

Union officials last night expressed little surprise that the workforce had now also decided to accept the offer through their union channels.

Although industrial disruption of the record beet harvest is now unlikely, the three plants that continued to reject the offer at week-end mass meetings—York, Peterborough and Wislington—may still press ahead with some action.

According to Mr Rokey Ashford, union convener at Bury St Edmunds, the decision to accept the offer there had only a five vote majority. He said: "We are extremely disappointed by the result. We put it down to the BSC ballot which is a very worrying development. Next year the union will be irrelevant because they will just put the pay offer straight out to ballot."

The two unions involved—the Transport and General Workers Union and the General and Municipal Workers Union—were already isolated even before the BSC ballot because the pay offer was accepted by the craft and management unions.

Record harvest hope, Page 31

Rail pay award says productivity vital

BRITISH RAIL'S arbitration tribunal, chaired by Lord McCarthy, recommends that 6 per cent pay rises be paid to BR's 177,000 workers from September 6. It also proposes further progress towards improved productivity.

Existing guards should be retained on non-operational duties—such as revenue collection—for a minimum of six months, after which both parties will be free to decide whether or not to retain them permanently on these duties.

McCarthy tribunal rejects union arguments to urge immediate Government aid, Brian Groom reports

This could have potentially disastrous consequences for both employment and pay." The tribunal makes proposals designed to ensure that obligations still outstanding from the 1981 pay settlement were met in ways it regards as "reasonable and fair". These include: Manning of freight trains. The National Union of Railwaymen should confirm its agreement to three pilot schemes to test the validity of the BR Board's proposals for driver-only operation on freight trains.

Where changes affect staff responsibilities, additional rewards should be agreed. The other 1981 commitments—on open stations and flexible rosters, have been met. Unions should discuss BR's proposals for further productivity improvements. The tribunal says. The board wants co-operation with cuts in passenger mileage, reallocation of workloads between depots, adjustment of terminal staffing and accelerated administrative economies.

The tribunal recommends 6 per cent rises from September 6. The minimum earnings level should be raised by the same figure, but from last April 19. A further review should take place in time for the expiry of the agreement on April 17, 1983. The parties should also get together to agree an additional day's holiday in time for next year, the tribunal says. However, it continues: "We do not mention this to apportion responsibility, or to suggest that any of the parties acted in ways other than they thought right at the time."



Lord McCarthy

award, which is not binding on the parties, is 4 per cent over the 12 months from April 17, compared with the board's earlier offer, now withdrawn, which was valued at 3 per cent. The tribunal says it took into account "an unprecedented account" as a result of an irreparable loss of revenue arising out of recent industrial disputes.

It "cannot share the hopeful assumptions on the union side concerning the size and availability of funds" for this purpose. There are severe limits on what can be recommended without assuming access to special government aid, which it would be irresponsible to do. As a result, it was not possible to award the kind of increase the unions demanded, or might have been awarded in the absence of the special circumstances of 1982. It was important to maintain "to the extent that it is possible this year" a movement in pay rates not too far out of line with what would have been possible in normal circumstances, while appreciating the board's cash flow problems. The tribunal stresses in conclusion: "The unusual and unprecedented events of this year should not be accepted as either typical or likely to recur. Given continued co-operation along the lines of proposals advanced elsewhere in this award, improvements in productivity and efficiency should make it possible to achieve advances in terms and conditions that are unfortunately not available at the moment."

Boilermakers' leaders back merger

By JOHN LLOYD, LABOUR EDITOR

LEADERS OF the 120,000-strong Boilermakers Society, with members in shipbuilding, engineering and mechanical construction sectors, have started a campaign to convince members to vote for amalgamation with the 865,000-strong General and Municipal Workers' Union.

The latest issue of the union journal sets out the instrument of amalgamation between the two unions and gives a lengthy rehearsal of the benefits it would bring to members. Amalgamation is supported by an editorial arguing for merger. This is written by Mr Sandy Scott, the Boilermakers' acting general secretary. The society has begun a ballot of its members on amalgamation, in parallel with a ballot being taken by the GMWU. These ballots close on October 6.

Mr Scott, in his editorial, says the union has successfully fought an injunction against the ballot. The injunction was brought by Mr Michael Laws, a member of the society's Rochester, Kent, branch, who sought to delay the ballot until more information was provided.

He adds that the union is determined the issue will not be decided by a group of politically-motivated activists, a small caucus or a clandestine group putting its own narrow self-interest first and which would seek to impose its will.

The case made out for amalgamation concentrates on the advantages of a single union agreement covering craft, manual and staff in shipbuilding and engineering companies. These agreements could be made by the new union, to be called the General, Municipal, Boilermakers and Allied Trades Union.

Left-wingers and others in the society in past years rejected amalgamation with the GMWU. They argued for a merger with the Amalgamated Union of Engineering Workers, the largest craft union. The ballot will be completed before the society's biennial delegate conference which begins on October 18, and will thus pre-empt a body which has been traditionally hostile to the GMWU.

Four-day march for jobs planned

Financial Times Reporter

A PROTEST march for jobs, which in four days will pass through many of the country's worst unemployment black-spots, gets underway tomorrow.

More than 250 sponsored marchers wearing special green jackets, who are expected to be joined by hundreds more along the routes, will set off from five major Midland cities—Derby, Stoke, Shrewsbury, Hereford and Northampton.

It is part of a continuing campaign to draw attention to the plight of the jobless. Each of the marches will converge on Birmingham where a festival against unemployment will be staged in a city park on Saturday.

Advertisement for First Interstate Bank. Text: "Welcome to a world of correspondent banking." Includes a map of the Pacific region with cities like Singapore, Los Angeles, and New York marked. Bottom text: "You'll end far over the horizon... Singapore, where both the Asian and American shores of the Pacific have been united by one correspondent banking network." Logo for First Interstate Bank.

Advertisement for Garuda Indonesian Airways. Text: "With us, business really takes off." Includes a grid graphic with a stylized Garuda bird logo. Text: "The Indonesian economy is continuing to expand while much of the rest of the world is in recession. And Garuda Indonesian Airways offers every business traveller a full information and advisory service on trading opportunities with Indonesia." Logo for Garuda Indonesian Airways.

THE MANAGEMENT PAGE: Small Business

Why Jack Melchor is weighing the future

Tim Dickson examines the Anglo-American Fund

THE FUTURE role in the UK of Jack Melchor (right), the Californian venture capitalist, could well be decided later this month.

Just under two years ago Melchor teamed up with the National Enterprise Board to launch the £2m Anglo-American Fund, the venture capitalist organisation aimed at fostering fledgling ventures in advanced technology, particularly electronics.

financial scene for a good many years.

In some respects Anglo-American has not lived up to its initial high expectation. Melchor himself, for example, has been disappointed by the small number of investments which the fund has made.

Frustrated in part by the guidelines which confine him to the more depressed regions of the UK, he has been negotiating to set up a new £10m private venture capital fund which would be free to invest anywhere in the UK.

have identified in the South-East.

The position however, has been complicated by recent criticisms of Anglo-American, and the share of future gains which goes to Melchor's management company.

Meanwhile, Melchor is in Britain this week to monitor the Anglo-American investments and discuss his future plans.

nology Group (which now embraces the NEEB).

The three case studies below of established Melchor-backed companies—the fourth in the Anglo-American portfolio is still at the R and D stage—illustrate the sort of contribution which a venture capitalist like Melchor can make.

The last couple of years, however, and the recent controversy in particular have also shown a difference in understanding of what constitutes an entrepreneur.

were prepared to take high risks to achieve rapid growth. In the event the combination of a good idea (of which there is no shortage) and business experience has proved to be much rarer in the UK than in the U.S., he says.

The other problem is that venture capital in U.S. style is not yet widely understood in Britain. For example, while the rewards received by the Melchor management companies are considered by some to be high in the UK, they are below the general rate in the U.S. and are seen as providing a reasonable remuneration given the contribution of venture capital.



SETback for the sceptics

IF SET Systems succeeds, Jack Melchor will have picked a winner which many others were too cautious to back.

Two years ago SET's founders—managing director Nigel Doe and technical director Len Rodkoff—were just two more in a long line of frustrated British entrepreneurs. They were convinced that their product—the LEDSET multi micro 280 based business computer—was a marketable idea but lacked a track record and the personal security so often required to attract outside financial support.

"We must have gone to about ten sources of finance, out of which we talked to five seriously, including the Industrial and Commercial Finance Corporation," recalls Doe (above). "They were all very enthusiastic about the product but even though we had some advance orders at the time we were invariably told that we were too early a stage of development and that the risks were therefore too high."

At about the same time Doe read about the Anglo-American fund and got in touch with the BTG. Progress, he says, was swift after the first contact and he and Rodkoff were immediately invited to come and present their business plan. Following a thorough evaluation of the product and potential markets by Melchor and his team, SET Systems was set up in June last year. The initial capital was £30,000 plus an additional £262,000 from the fund repayable over seven years.

Developed over a number of years by Rodkoff, an experienced electronics engineer, the LEDSET micro system is designed to be particularly "operator / user friendly" through a special touch sensitive keyboard. At the moment SET supplies

only the hardware, while outside specialists are brought in to write the applications software.

Doe admits that he and Rodkoff have been forced to come to terms with Melchor's philosophy. "He firmly believes that no single entity in a company should have control. This was a bit hard to swallow at first since we had spent most of our hard-earned pennies developing the product," he says.

"While nobody has financial control—the two executives hold 48 per cent of the equity, Melchor and his associate Bill Parker have 2 per cent each and Anglo-American has the balance—Doe and Rodkoff are very much in charge of day-to-day management. "Once we realised this distinction, the whole thing fell into place," comments Doe. "I can honestly say that there has been no interference but we have had plenty of help."

This tends to emerge from quarterly meetings with Melchor, Parker and Arthur Ward, director of regional affairs of the BTG.

"We have already found that it can be extremely useful to have first hand information about what is going on in the U.S. Recently, for example, Bill Parker tipped us off in advance that there was going to be a shortage of 64K RAMS and that we should stock up." Doe, at the same time, is confident that if a competitive American product enters the scene, Melchor and Parker would be the first to hear about it. Moreover, when one fine day they start exporting LEDSETS to North America, their Anglo-American contacts will obviously be invaluable.

A "second round" of financing is likely in the next six months as turnover expands. Sales are on target for £0.7m this year and on a month by month basis SET is just about breaking even. If the project moves ahead in the way that everybody hopes, however, working capital needs are going to increase.

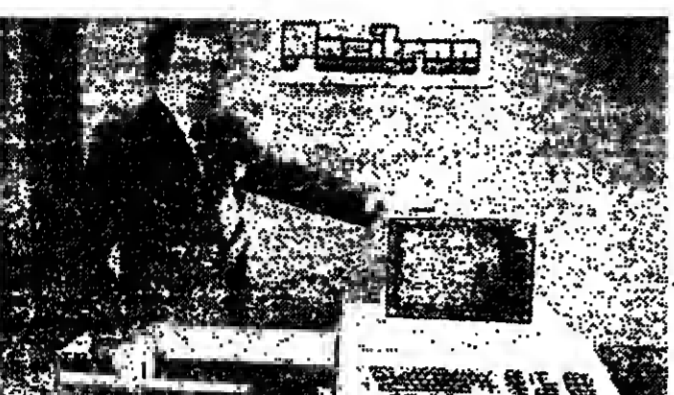
Positively Positron

"WHAT I am trying to do is turn the company into a fast growing Californian-style business," says Peter Plinston, Positron's 27-year-old managing director.

Despite the company's perhaps unlikely location in premises on a typically unprepossessing industrial estate near Newton-le-Willows in Lancashire, these words need not be an empty boast.

Founded in 1979 by Plinston and another former IBM executive, Positron was Anglo-American's first investment when the fund put up £250,000 and took a 46 per cent equity stake in March last year. Over the last 18 months progress has been steady, if not yet spectacular, but Plinston is confident that his fledgling microcomputer business is set for a big breakthrough. Profits have just begun to appear, sales next year are budgeted to hit £2.5m, and if all goes according to plan an Unlisted Security Market (USM) quote will be sought in the mid-1980s.

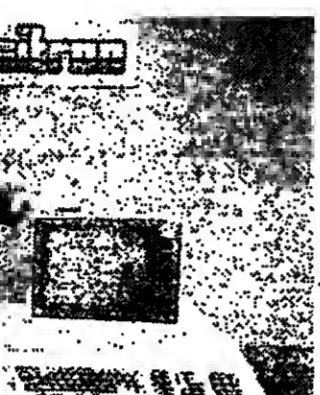
Plinston pays tribute to the early contribution of the nearby community of St Helen's Trust, which helped him prepare a business plan before Anglo-American arrived on the scene. The Trust is still closely involved today and talks are proceeding with a view to building new purpose-built premises for the company in St Helen's. Positron's basic product is a powerful multi-user desk top



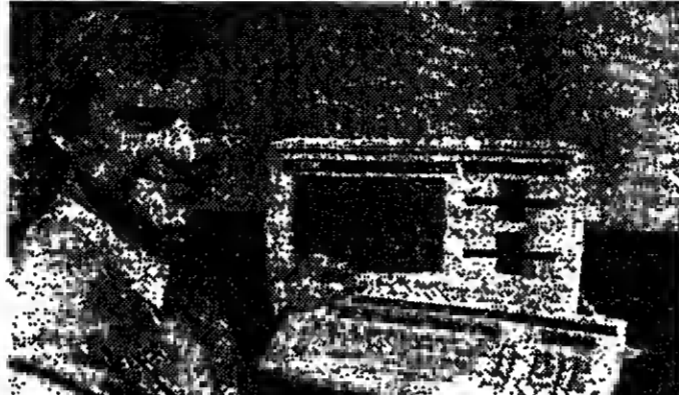
microcomputer which took Plinston 15 months of hard work to develop. Its chief features are a large main memory and a multi-programming facility which enables four or five people to use it simultaneously.

Lobbying The company's intended initial target was the UK secondary school market. Ironically this was cut off thanks to the Government's Micro-computers in Schools programme, which made money available for local education authorities to buy microcomputers provided they used an approved list of suppliers. In spite of fierce lobbying Positron was not among them.

Plinston, who has always wanted to run his own business, although he admits that IBM nearly trapped him, turned his attention successfully to the



Peter Plinston of Positron (left) and Steve Norman of Direct (UK)



Direct (UK) — via California

DIRECT (UK) was not just financed by Jack Melchor through the £2m Anglo-American Fund. The small Warrington-based company was virtually his creation.

"Virtually" is an important qualification, for the enterprise would also not have got off the ground without Steve Norman, its 28-year-old managing director and until last year an Englishman happily living in California.

After acquiring a degree in physics from Oxford, Norman went to Stanford University, in California, where he was quickly impressed by the "get up and go" attitudes of his American contemporaries. He completed his PhD and joined Direct Incorporated, a fast-growing computer hardware

business in the heart of Silicon Valley, fully intending to gain some experience before setting up his own company on the West Coast.

Barely a year had passed, however, when Melchor suggested that Norman might like to head a company selling the U.S. group's products to the UK and European markets.

Melchor had been closely involved with Direct from the start. Norman relished the challenge and welcomed the opportunity to resettle in Britain while teaming up with people who know what they were doing.

Direct (UK) thus began life last September with £300,000 from Anglo-American and ownership divided between management, Direct Inc and of course the Fund. Products at the moment are essentially a range of com-

puter peripherals for Hewlett Packard machines, made by Direct Inc.

Direct (UK)'s immediate plan is to start local assembly of the American products, which at the moment are imported in finished form. Initially components will all be shipped in from the U.S. but in future the idea is to develop new lines in Europe.

Direct (UK) also aims to work in conjunction with specialist software houses in an attempt to enhance the use and value of its products.

Besides access to money through the Fund, Norman points to the "incredible advantage of having a man like Jack Melchor who in his time has helped set up 30 to 40 companies" (one of these, coincidentally, was Hewlett Packard).

"He has helped identify key management, notably by introducing our chairman Alan Leonard, a man with considerable experience in the north of England and in small firms. Jack has also helped spot marketing opportunities and suggested new products which we could add to our range. We are in fact talking to one of his contacts about this at the moment."

Melchor, says Norman, brings "high risk approach" to high technology and encourages companies in which he invests to "think big." Both these qualities, he believes, are generally lacking in Britain where companies' expectations for growth are conservative.

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A plan for the Falklands

IN THE course of the war over the Falkland Islands this year the British Government demonstrated that it was prepared to sustain appreciable losses in men, money and equipment in order to repel an Argentine invasion of territories to which it felt Britain had a solid right and to restore a British way of life to a small community which wanted no truck with Argentina.

Now that the operation has been successfully completed the time has come to take stock of the prospects for the 1,800 islanders and chart a future economic course for them. The report commissioned by the Prime Minister from a team of experts led by Lord Shackleton which was published yesterday has underlined the fact that the future holds out the possibility of solid prosperity for a small community based on the very considerable natural resources of the region.

Reinvestment

Lord Shackleton's latest document, like the report he submitted to the government in 1976, makes the point forcefully that for years the Falkland Islands and their Dependencies were far from being a drain on British finances but were themselves being drained of capital through the remittance of profits to the metropolis by absentee landlords who owned the bulk of usable land.

He goes on to recommend a strengthening of the territories and a package of development grants to pay for a range of things from a new jetty and roads to a salmon ranch. In the medium term he wants to see £50m spent on the establishment of a deep sea fishing industry.

The total cost of this programme, excluding the many millions of pounds needed to provide new airfield facilities for defence purposes, totals some £75m.

The expenditure of such a sum on a community of less than 2,000 people. Lord Shackleton warns, will be fruitful only insofar as the Falklanders themselves seize the opportunity.

Infant industry protection is that if the native industrialists are given a chance to learn the trade, they will soon beat the foreigners at their own game.

The past history of ICL is arguably of the more telling refutations of this argument. The more up-to-date argument is that there is no point opening up public purchasing to foreigners who are busy bending the rules in favour of their own domestic suppliers.

As a member of the EEC and a signatory of the GATT code on government procurement Britain is obliged not to discriminate against foreign bidders for government contracts. Both IBM and Burroughs have noisily demonstrated their determination to publicise any bend of the rules by pointing to recent decisions by the Severn Trent Water Authority and Oxford Regional Health Authority to award contracts to ICL. In neither case did they succeed.

The facts of the case, however, are that ICL does not have a suitable machine in its product range for the Vehicle Licensing Centre in Swansea. It hopes to have one—the new Estriel computer now being developed—some two years after the Department of Transport actually requires it. But since the computers were urgently needed the government indicated to ICL that there was little point in tendering.

ELECTRONIC INFORMATION DISPLAYS

A war room for executives

By Alan Cane

ON the sixth working day of every month, Owens-Illinois, 98th in the Fortune 500 and the largest manufacturer of packaging in the world closes its books.

Four days later, Mr Robert Lanigan, the President of Operations and his immediate aides gather in the corporate "war room" of this diversified \$4bn corporation, 16 floors above the busy streets of downtown Toledo to analyse progress in preparation for the major corporate review involving 40 or so managers a few days later.

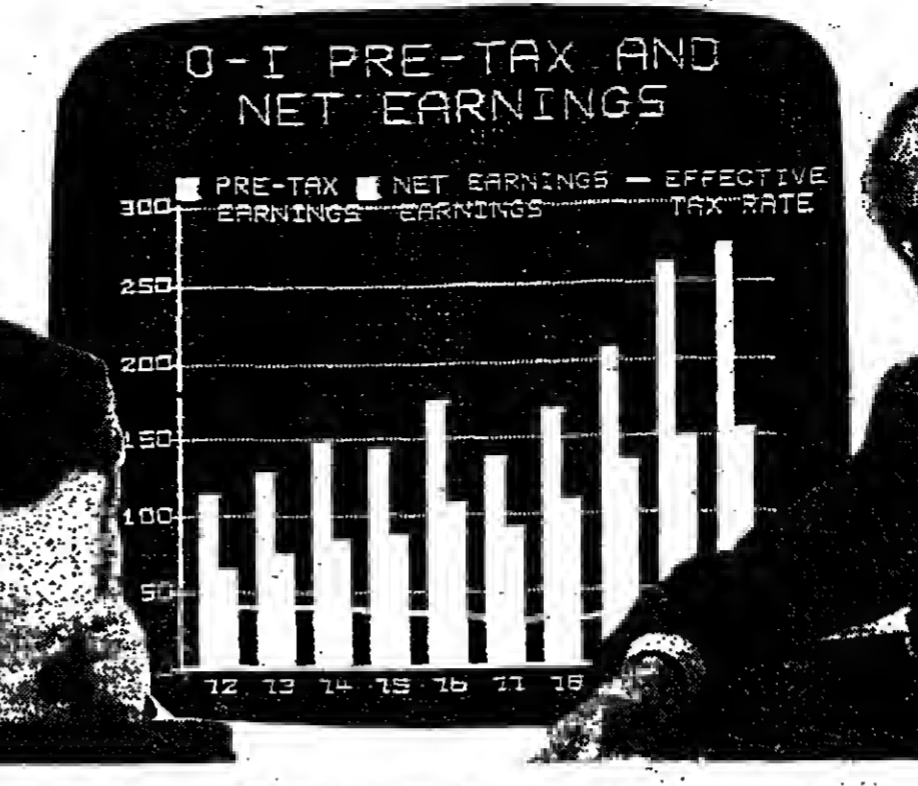
Their options are spelled out with brutal clarity. The end wall of the vast room is dominated by a huge back projection screen on which up to eight full colour graphs can be projected simultaneously.

Corporate "war rooms" complete with sophisticated equipment of a kind seen only in the operations rooms of defence establishments are fashionable and common enough in the top U.S. companies right now; what makes the Owens review meetings special is not only the quality of the information available but the extraordinary ease with which it can be accessed.

Despite its size, the geographical distribution of its constituent companies and the fact that the books were closed only days before, the company performance graphs are bang up to date.

He recalls his early discussions with Comshare with amusement. "It could never be too easy, I decided. So I told them 'No passwords'". (Passwords known only to the user are changed frequently, so the conventional way of denying access to an unauthorised computer user.)

They said: "But we always have passwords. I told them 'No keyboards'. They said: 'How will they type in their passwords without a keyboard?'"



Mr Basil Butler of BP (left) and Mr Jerome Bohland of Owens-Illinois (right). Both have the latest electronic systems in their offices.

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They said: "But we always have passwords. I told them 'No keyboards'. They said: 'How will they type in their passwords without a keyboard?'"

What Owens and BP have now built are called in management information systems jargon "decision support systems".

The idea is not to replace managerial judgment but to assist decision-making. Information on tap for those at the top has always been a legitimate aim of management information departments.

Mr David Hanson, director of management reporting and cost services at Owens-Illinois, is in no doubt about the value of the new approach: "The quality of a manager's decisions depends on experience and the quality of the information available to him.

Mr Craig Barrow, a young and aggressive executive given overall responsibility for establishing the system, wanted to make using the display screens as simple as possible for his senior management.

Westminster that nearly 500 press, radio, and TV people will be crisscrossing the country for the next CBI quarterly trends survey—another potential political firecracker—will be published just before the conference starts.

Men & Matters

Reward for industry

On November 1, between the prorogation of Parliament and the opening of the new session with the Queen's Speech, there will be a lemming-like rush of MPs to the seaside.

Lord of the isles

In another age, Lord Shackleton—whose up-dated report on the development of the Falklands was published yesterday—would surely have become as famous an explorer as his father, Sir Ernest Shackleton.

Plugged in

At last, a good word for space invaders. The video games may be known as a social evil from Indonesia, the Philippines and, perhaps soon, from Malaysia.

Run down

Two retired British businessmen have established a charitable organisation called "Joggers Anonymous".

As Mr William Spengler, vice-chairman of Owens, told David Hanson during early discussions on the project: "I want two screens. One should say 'worry' and the other 'don't worry'—and if it says 'worry', why need I worry?"

machine called "Execchart". Graphs, tables and charts can be created quickly in full colour with little skill.

Some users are more equal than others. The most senior executives have word-framed screens; they switch them on with a personal key and select graphs using a hand-held radio transmitter.

How do senior managers react to this new-fangled approach? Mr Lee Spangler, controller of Owens—Kimbles, is both enthusiast and critic.

A laconic, internationally experienced manager, he argues: "It will never pay for itself until we make it of use to the people out there on the floor."

Mr Bishop of BP agrees: "I was mildly interested but sceptical when it was first proposed. It hasn't eliminated paper from my office but I sometimes wonder how we ever lived without it."

Neither system holds out any promise of senior executives doing their own computing but they do illustrate how they can make use of computer based information and perhaps that is enough for now.

Comshare, in fact, won the Owens contract in direct competition with IBM but used a small IBM computer and IBM colour terminals.

President Jose Lopez Portillo recently implied that those people who had fled Mexico of hard currency reserves by depositing \$14bn in U.S. bank accounts and buying real estate worth \$25bn might find the tax man on their backs if they did not return the money to bail out the nation.

Researcher from Duke University in North Carolina concluded that the space invaders craze helped a man to "handle his anger over the recent commitment to marriage."

Competition in public tenders

GIVEN THE depth of the present recession it was inevitable that news of a major British Government computer contract going to a supplier other than ICL should cause a stir, particularly after the Government had provided £20m of guarantees to keep the company afloat last year.

But even assuming that the ageing computers in Swansea had been capable of surviving well beyond their normal life expectancy, the arguments for keeping ICL in play would be weak. The traditional case for

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Observer

The man most in line to replace Chancellor Schmidt Helmut Kohl: the waiting may soon be over

By Jonathan Carr in Bonn

COULD IT be that the West German Government, currently headed by an outstandingly capable Chancellor, Helmut Schmidt, is about to pass into the hands of a provincial bluff? You might well be led to think so by much of the comment over the last decade or so about Dr Helmut Kohl, head of the Christian Democratic Union (CDU) opposition party and the man most in line for Herr Schmidt's job.

If criticism could kill, Dr Kohl, 52, would long since have been dead—impaled with innumerable barbs not just from his formal political opponents but from his own ranks too. It is not surprising that Herr Schmidt, 63, should attack Dr Kohl. After all, that is part of his job—and one the Chancellor relishes if the intensity of his jibes is anything to go by. But it is truly astonishing how often Dr Kohl has been ridiculed by "colleagues" both in the CDU and in its respective sister party the Bavarian Christian Social Union (CSU).

When Dr Kohl gained the top job in 1973, there were already many in the Union whispering behind his back that he was an "interim" solution to tide the party over a difficult period. It was claimed that the big (5 feet 4 inches tall), genial Prime Minister of the wise growing state of Rhineland Palatinat would "do" until the real leader emerged to carry the Union back to the government office it lost in 1969. True, it was said, Dr Kohl was a good "team man"—but even this apparent praise carried the suggestion there were someone who looked colour, brilliance, dynamic personal initiative.

The CSU leader, Herr Franz Josef Strauss, 66, seemed to have all three of those qualities in over-abundance—and, in contrast to Dr Kohl, he had long years of national ministerial experience behind him. Little wonder, therefore, that in addition to his CDU rivals, Dr Kohl also faced a threat from this CSU fireball, which hurtled erratically towards the top job in Bonn burning up opposition on the way.

All his reserves several big questions. If Dr Kohl really

is a bumbling, mediocre character—as his critics claim—how is it that he has stayed at the top of the CDU for nearly 20 years? How did he manage to add—and retain—the job of 73rd Union parliamentary floor-leader to his positions as CDU national chairman? Where are all those CDU rivals who were waiting in the wings? The answer must be either that they are really still less effective than Dr Kohl is claimed to be. That is hard to believe. Or it must be that Dr Kohl has strengths which have been widely underestimated—which is much more likely.

The last one can say is that Dr Kohl has remarkable political stamina and—apparently—a very thick skin. He has shaken off countless insults and setbacks with a rueful smile and striking lack of concern, like the gallivanting attack from the Molliputan army.

He fought the 1976 general election as Union candidate for the Chancellorship against Herr Strauss, and gained 48.6 per cent of the vote. It is hard to see that any other CDU leader would have done better. Four years later Herr Strauss finally chosen as Union Chancellor candidate despite CDU reservations, won only 44.5 per cent. It is fashionable to say that Herr Strauss, despite his brilliance, was a divisive force in the Union and had north Germans against him because he was a Bavarian.

Electoral support countrywide

There is a lot in that. But then it is also fair to note that Herr Strauss's weaknesses are Helmut Kohl's strengths. As a Rhinelander, Dr Kohl stands a better chance of gaining electoral support countrywide (how ever unfair that must seem to the Bavarians). And his calm, solid demeanour, by definition unexciting, seems to have a more durable impact on voters fascinated by Herr Strauss's oratorical fireworks, but a bit mistrustful, too. Many people clearly, instinctively feel that Dr Kohl is a man to be trusted, the sort of person you could patter with about your problems over a glass of wine, with-

out being lectured at, or blinded by statistics.

True, he may well talk about the country needing "a new start" implying that people have got too used to spicing on the state, and must now recognise they have duties as well as rights. But he will leave all that with quite a lot of jokes, several told against himself. Besides, quite a lot of people are ready to admit that with low economic growth some social benefits must be pruned—so long as the changes are not apocalyptic. And who, observing Dr Kohl, could possibly believe that a government led by him would be apocalyptic about anything?

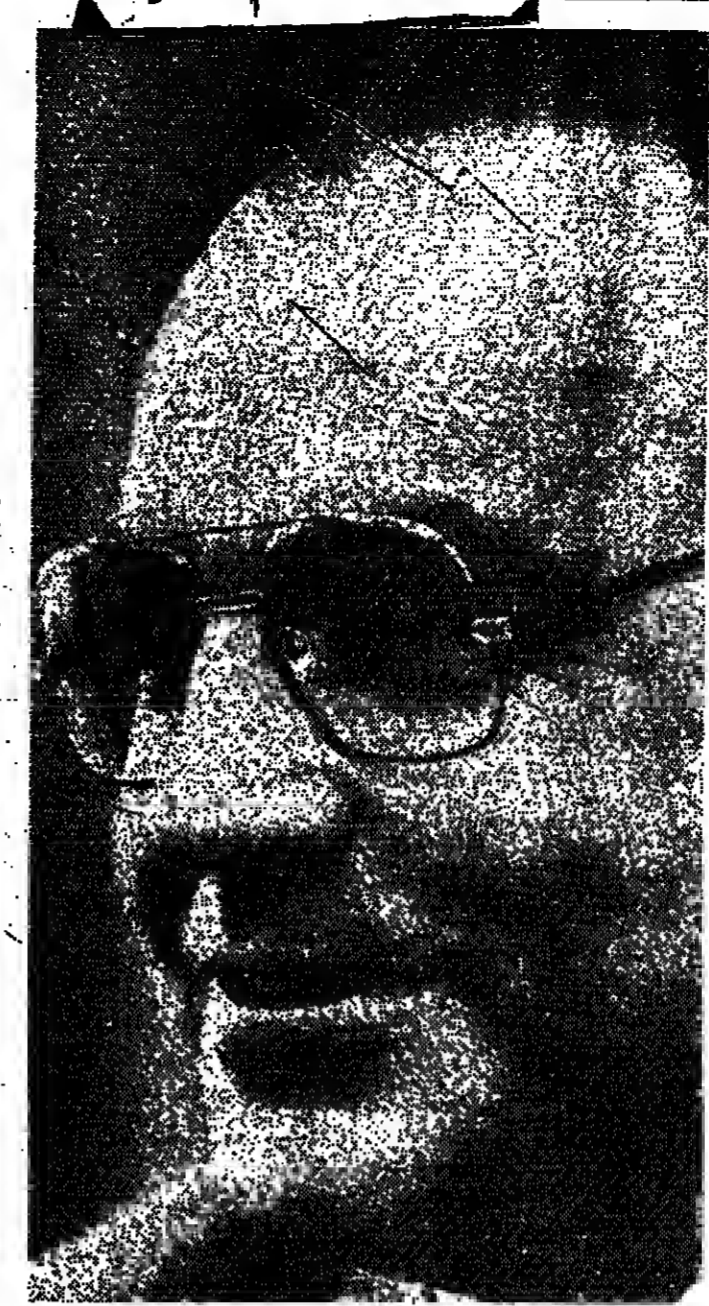
National political hothouse

These personal qualities, which can and do make their mark with ordinary people in a fairly small group, tend to work against Dr Kohl in Bonn, a national political hothouse where few normal people are to be found.

In his Bundestag speeches he retains mawkishness which tell against his image and of which, for a national politician, he seems almost endearingly unaware. He often blinks hard and stares upward as though startled by some brightly shining flying object, thus distracting attention from what he is saying. And all too often the television cameras catch him roaring with laughter on the opposition benches, as though parliamentary business is one huge joke.

Chancellor Schmidt uses the Bundestag and its opportunities for self-projection much more cleverly. He is often to be seen at his post, sternly and methodically working his way through official papers—with just one ear cocked on the debate. When the time comes to speak, his comments are razor-sharp, sifting Dr Kohl's arguments to tatters with an almost contemptuous ease.

Yet even here there seems to have been a change of late. The duel between the two men, who have emerged as well as policy show very little regard for one another, has become a bit more



Helmut Kohl: remarkable political stamina

The problems of a Chancellor candidacy by Dr Ernst Albrecht, 52, Prime Minister of Lower Saxony, are of a quite different—almost opposite—kind. Dr Albrecht has a reputation as a "clever" politician—for which the words "smart" or "tricky" are sometimes substituted. He briefly emerged as the possible Union candidate in the run-up to the 1980 general election, but stepped back smartly when Herr Strauss appeared on the scene, firing on all cylinders. Was it a clever tactical withdrawal, or a sign of weakness under pressure? A questionnaire hangs over Dr Albrecht too.

The list could easily be extended. That fact alone shows that the Union parties have plenty of talent and no lack of ministerial material. The problem would rather be—who to leave out of the cabinet. But there is no sign of a rival who combines political and personal qualities in such a way as to make him a clear alternative to Dr Kohl as Chancellor. Even those who accept this, often claim that Herr Strauss would really be the power behind the throne, and quote a remark by the Bavarian leader to the effect that "I don't care who is Chancellor under me."

All that seems to leave Dr Kohl still aged only 52, wholly unperturbed. He has, after all, heard it all before. He sees before him a crumbling government coalition, he knows the Union is given well over 50 per cent of the national vote in opinion polls—and he believes he is going to be Chancellor. He has certainly waited a long time.

Lombard In defence of the amateur

By Geoffrey Owen

IN PRINCIPLE the distinction between amateur and professional sportsmen is clear. In one case sport is an enjoyable diversion from work. In the other sport is work. In practice things are not quite so simple. Some so-called amateurs devote themselves virtually full-time to their sport. Some are said to receive under-the-counter payments for their appearances. These commercial pressures are especially strong in sports like rugby football and athletics which enjoy large attendances and/or TV audiences; they are attractive markets for suppliers of equipment and clothing and for companies which wish to use the sport (and its leading players) as the vehicles for advertising.

This is the "shamateur" problem which reached a ludicrous stage in lawn tennis a few years ago—until Wimbledon cut the Gordian knot by opening the tournament to genuine professionals; since then the financial rewards for top players have greatly increased, and so has the number of lesser players who can make an honest living out of the game.

Should rugby football and athletics do the same? Peter Sloane argues in the Journal of Economic Affairs that undiluted amateurism cannot survive in modern sports where spectators are prepared to pay to watch and television companies to provide large contracts for the screening of matches. "The organisers of 'amateur' sports," says Sloane, "should either concede that they are quasi-professional sports and abolish the distinction between amateurism and professionalism, as has already occurred in some sports such as badminton and bowls, or accept the logic of their convictions and opt to operate as spectator sports."

Sloane says the failure to allow appropriate rewards for leading athletes amounts to exploitation—the payment to "employees" of incomes below the value of their contribution to output. To compete at the highest levels in these sports requires a major input of time and effort which might otherwise go into the furtherance of a career. "Exposure in the media means also that such athletes are very valuable factors of production for advertisers." If someone wants to make a living out of rugby football or athletics, they should be free to do so.

The argument seems plausible, but there are grounds for doubting whether a market solution is appropriate in this case. The danger is that, in embracing professionalism, the sports authorities will be losing more than they gain. The organisation of the sport will become increasingly geared to the needs of the professionals and commercial enterprises; its original raison d'être—to provide a form of recreation and physical exercise—will be lost.

The values associated with professional sport are not those of an amateur sport. The objective is to make money, not simply to play a game. This can affect rules (which may be altered to suit the sponsor) and standards of behaviour. Amateurs like to win, but professionals need to win and some of them are not too scrupulous about how they win.

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Letters to the Editor

Poor taxation legislation—Parliament is responsible

From Mr B. Sabine.
 Sir,—I apologise for troubling your columns again but Mr Nelson (September 7) raises a matter of great importance, which is a certain extent echoes Mr Harper's letter to which I replied in your September 1 issue. This time, however, it is the Revenue's hold on fiscal legislation which is attacked rather than its attitude to case law.

Here again there is an answer, or at least an explanation, which is canvassed from time to time with periodic revivals, and this is to put an end to what Sir Geoffrey Howe once described as "nocturnalisation".

The progress of the Finance Bill through the House is conducted under the Damoclean sword of the guillotine procedure (if that is not a mixed metaphor) contained in the Proposed Collection of Taxes Act 1982.

From this stems the notorious all-night sittings, the compromises over clauses, the interminable schedules and finally the Act with all its mistakes—such as illustrated on page 1 of your September 7 issue, and all its loopholes which were ultimately to be discussed in boardrooms, professional offices and finally by the courts. Consultation before the Bill has improved but it still not truly effective: after the Act it is left in the scramble to interpret and adapt.

The immediate answer, then, is a more leisurely timetable such as that employed in the United States instead of a few months (which may be no more

Unfinished business

From Councillor A. Markham.
 Sir,—I have viewed with great interest the pontifications of the CBI and TUC. I find their fanciful statements quite unreal. Recently I decided to order new workshop equipment to the value of approximately £15,000. I contacted four companies. Three months later, despite letters, telephone calls and finally directly to the managing directors, I still do not have a quotation. Interestingly enough these were all large companies. If the country's economy is to have any future at all, can the TUC and the CBI kindly give us a lot less talk and a lot more action. At the present moment it seems to me that the whole country's efficient economy is carried out by only the small businessman.

A. J. H. Markham (Cllr),
 9, Piffard Road,
 Woodley, Reading, Berks.

Is fruit cake crucial?

From Mr I. Bailie.
 Sir,—Referring to Mr Macfarlane's letter (September 2), the particular Texan fruit cake he mentions differs considerably from British fruit cake. After 16 years in the United States personally I prefer the Texan version as having a more interesting selection of fruit and nuts but this is a matter of taste. Certainly as a 250 lb (184 stone) devourer I have found that the nearest British product is considerably more expensive.

There might be other explanations besides a British propensity to import. Perhaps the large American and Anglo-American community which prefers American fruit cake to UK fruit cake has more reason to purchase this delicacy for afternoon tea as distinct from the corresponding community in Germany where the accompanying coffee break tends to be more suitably a cream cake!

Moreover, assuming a demand for 20,000 cakes of the American style, it is hardly a mass market, could a British manufacturer compete with a U.S. manufacturer already geared to satisfying the hunger of the larger American market?

I tend to share Mr Macfarlane's scepticism as to the desire of British manufacturers to satisfy consumer demand but wonder if fruit cake really proves this point.

Iain C. Bailie,
 Ledes & Povey,
 52-54 High Holborn, WC1.

A mortgage holders discount scheme

From Mr D. Chandler.
 Sir,—I can understand why the majority of building societies are showing some reluctance to co-operate with the Office of Fair Trading, regarding the choice of building insurers, when the Halifax declares insurance commission earnings last year of £27m.

One unalike solution, in preventing wandering policy holders, would be for the building societies to give up a "slice of their lucrative action" and introduce a mortgage holders discount scheme.

With the building societies' administrative facilities and the economies that such systems allow I would have thought a 15 per cent discount was not beyond the realms of possibility.

D. E. Chandler.

"Alpha,"
 Dove Road,
 Eastly,
 Sandwich, Kent.

The arts for art's sake

From Mr D. Mahon.
 Sir,—Malcolm Rutherford's perceptive analysis "The arts for art's sake" (September 10) justifiably refers to the far-seeing policies in relation to the arts which are at present developing on a governmental level in France and Italy.

May I offer readers some chapter and verse concerning Italy? Vincenzo Scotti, the extremely energetic Christian Democrat Minister responsible for the arts and the environment, has recently been successful in securing the enactment of a remarkable law to enlist, by means of fiscal facilities, the operation of the private sector in helping to safeguard Italy's cultural inheritance. This law was described to me by a high official in the Italian administration of the fine arts as the most important legal reform in this sector since the fall of Fascism.

One of the most constructive provisions is that allowing for the cession to the state of approved cultural items in payment of succession taxes. But (since something similar already exists in the United Kingdom and France) even more important still is the provision which permits the discharge of income tax debts in the same way. Since it is sensibly assumed that the value of what is surrendered in any one year could well exceed the tax debt currently due, there is a provision for credits against future tax debts over a period of five years, together with reimbursement (though without allowance for interest) of any residue which might be outstanding at the end of that period.

What is particularly significant about this law is that it was achieved by an all-party consensus. Not only was it actively sponsored by the Italian ministers responsible for public finance (including a Socialist) but the principles and policy underlying it were not contested by the Communist opposition.

Denis Mahon
 29 Cadogan Square, SW1

UK COMPANY NEWS

Companies and Markets

Telefusion profits expand to £3.75m for 53 weeks

HELPED BY lower interest charges of £1.32m, against £1.79m, taxable profits of radio and television group Telefusion expanded to £3.75m for the 53 weeks ended May 1 1982, compared with £2.54m for the previous year.

Table with columns: Company Name, Current Dividend, Date of Payment, Total Dividend for Year, Total Dividend for Last Year. Includes Abbey Panels, Bertazz Holdings, C. D. Brammal, Bridgewater Est., etc.

The directors say that all operating companies contributed to group profits. Excluding VAT, turnover went ahead from £71.47m to £80.64m, split as to sales and service £55.83m (£47.05m) and rental £24.81m (£24.42m).

After UK tax of £935,000 (£890,000), and overseas £150,000 (£163,000), and an extraordinary debit, much lower at £70,000, compared with £631,000 last time, the attributable balance came through well ahead at £2.59m (£2.890,000).

Low & Bonar dives by £1.6m

A DIVE of £1.64m in pre-tax profits to £94,000 has been shown by Low and Bonar, packaging, engineering, textiles and travel group, for the six months to May 31 1982.

Tax took £1.28m (£1.19m), and minorities £203,000 (£201,000). After extraordinary debits this time of £247,000 compared with previous credits of £537,000, losses at the attributable level amounted to £1.67m against profits last time of £248,000.

Carpets Intl. postpones loan stockholders' meeting

Carpets International, the Kidderminster-based Kosset, Gilt Edge and Crossley group, yesterday adjourned the meetings called for holders of both classes of its unconvertible loan stock until October 25.

Notice of the adjourned meeting, together with any additional relevant information will be sent to stockholders "as soon as practicable".

Lower halftime deficit at Quick

A DISCOUNT war between manufacturers and retailers has resulted in extremely tough trading conditions, says Mr Norman Quick, the chairman of H. & J. Quick Group, the Manchester-based passenger and commercial vehicle dealer.

Forecasting a profit for the year as a whole, however, Mr Quick announces an unchanged interim dividend of 0.53p—last year's total was 1.45p.

Heavy flexing of marketing muscle

NEWS ANALYSIS - BEECHAM BID FOR J. B. WILLIAMS

THE Beecham Group has been turning heads on both sides of the Atlantic this past year or so with some racy, and apparently quite successful, advertising of toiletries and cosmetics.

of a shared distribution network was the prime logic of the deal. This was somewhat overshadowed by one or two costly marketing failures for Williams in 1979—and was swept away overnight by Nabisco's merger with Standard Brands in July, 1981.

Andron, a toothpaste for women, had a marketing impact of a rather special kind last year by offering what sounded like a devious source of social advantage passing by the name of pheromones—a chemical constituent, says Beecham, containing powerful sexual attractants.

On the Continent and in the Republic of Ireland conditions reflecting the state of the world-wide economy were experienced, with political and other factors varying the position relatively marginally.

Amey Roadstone little changed at £28.84m

FOR THE year ended June 30 1982 statutory accounts of Amey Roadstone Corporation, a wholly-owned subsidiary of Consolidated Gold Fields, show virtually unchanged pre-tax profits of £28.84m, compared with £28.8m on turnover of £355.75m, against £307.25m.

Pre-tax results for the present statutory group were after depreciation and depletion of £12.64m (£11.5m) and interest charges down from £1.76m to £340,000. After tax amounting to £11.33m (£13.95m) and minority interests, £13,300 (£89,000), the attributable balance came through at £16.85m, against £14.76m—managed group attributable profits were £18.44m, against £17.1m.

In the UK, volume continued to decline, during the first half of the year, but started to improve in the last four months. Severe competition, however, resulted in low price levels and inadequate margins, Mr Wood states.

The company's business in the U.S. was adversely affected by the Government's policies and exceptionally high interest rates which severely curtailed housing and commercial building.

Upsurge at Bridgewater Estates

With trading and development income increasing from £182,000 to £883,000 and investment income improving from £97,000 to £119,000, pre-tax profits of Bridgewater Estates climbed from £303,000 to £1,022,000. Rents and sundries received for the half-year to June 30 1982, moved ahead from £207,000 to £214,000.

James Fisher halfway results steady at £2.3m

ALMOST unchanged pre-tax profits have been shown by James Fisher with £2.3m against £2.37m for the six months to June 30 1982. Turnover of this contractor, ship and insurance broker, moved ahead from £4.2m to £5.75m.

Cakebread Robey down at six months

Pre-tax profits of builders and timber merchant Cakebread Robey and Co. were down from £383,000 to £278,000 for the first six months of 1982, but the interim dividend is maintained at 0.6p net per 10p share.

NO PROBE

The following mergers will not be referred to the Monopolies and Mergers Commission under the provisions of the Fair Trading Act 1973: Skipton Building Society/Otley Building Society; Barclays Bank International/Commercial Banking Company; Tricentral/Conal Petroleum Developments.

ASSOCIATE DEALS

Greiverson, Grant and Company, as associates of Espley-Tyas Property Group, bought 25,000 of this year, huge August sales, lower interest charges and easier HP arrangements should help. But will the new Ford Sierra really be able to sell as well as its classic predecessor, the Contina, within its first six months? Quick will have to make about £300,000 in the second half to cover an unchanged dividend—but at 39p a share, a yield of only 5.4 per cent is scant support for a company which is yet to show signs of substantial recovery.

UNION CARBIDE

Viskase, together with French sister company Viscosa SA, are wholly-owned subsidiaries of Union Carbide Corporation. Previously, Union Carbide owned 50 per cent shares in both companies, through which all the Corporation's films packaging business in Europe is conducted. Viskase is a supplier of cellulose casings with current sales of over £5m.

BARKER AND DOBSON

Barker and Dobson Group state that agreement has been reached for Leman and Company to be taken over by a German investment. Production will continue in Ireland. The completion of this agreement depends on a number of issues, one of which is the acceptance of redundancies and new manning levels. If the agreement is completed the provision made against discontinued business in the preliminary announcement of the results to the group issued in June will be materially reduced.

Merchants Trust moves ahead to £1.3m midterm

A MARGINAL increase in net profits has been shown by the Merchants Trust from £1.1m to £1.3m for the six months to July 31 1982. Total revenue for the period moved ahead from £2.03m to £2.47m.

ASSOCIATE DEALS

Viskase is a supplier of cellulose casings with current sales of over £5m.

C. D. Bramall MAIN DEALERS INTERIM RESULTS (Unaudited) Six months ended 30.6.82, 30.6.81, 30.6.80, 2000's. Turnover 24,485, Profit before tax 1,053, Profit after tax 554, Dividend per share, net 2.05p.

Jebsens Drilling soars to £10m and pays 7p interim

A SUBSTANTIAL rise from £4.3m to £10.4m in pre-tax profits is reported by Jebsens Drilling for the six months to June 30 1982. Revenue also soared ahead from £11.6m to £27.5m. The interim dividend is 7p—no payment was made last time, but there was a final 10p from pre-tax profits of £8.78m.

ASSOCIATE DEALS

Dealing of the company's shares on the Unlisted Securities Market began in April and at the time, this North Sea drilling group forecast profits of £14.5m for the year.

M. J. H. Nightingale & Co. Limited

Table with columns: High/Low, Company, Price Change, Gross Yield, P/E, Fully Paid. Includes 129 Ass. Brit. Ind. Ord., 138 Ass. Brit. Ind. CULS., 75 53 Armitage & Rhodes, etc.

Large advertisement for BTR (Bramall Trust Resources) featuring a large stylized 'BTR' logo and text: 'Few industrial companies managed to profit and grow throughout the 70's and into the 80's. BTR is an exception. We intend to maintain our success, continue to innovate, keep things flexible, direct and positive. Continue to encourage our people to get results. And still remain our own severest critics. For us, getting bigger means getting better, too. That's BTR. BTR Limited, Silverdown House, Vincent Square, London SW1P 2PL. 01-834 3848.'

Companies and Markets

UK COMPANY NEWS

BTR rises 13% to £48.7m halftime

DESPITE an increase from £4.8m to £10.7m in finance costs, taxable profits of international engineering, plastics and materials handling group BTR advanced by 13 per cent to £48.7m in the first half to July 3 1982. Sales were ahead at £278.7m, compared with £243.7m—a rise of 25 per cent. And with earnings per 25p share stated higher at 29.9p (27.1p), the interim dividend is being raised from 4.25p to 4.75p net. Last year, a total of 8.75p was paid from pre-tax profits of £30.15m (£70.25m). The directors say that the problems of a persisting recession were commonplace in every area in which the group operated. The actions necessary to deal with those problems were "extensive, firm and broadly effective." As a result, they say profits from operations continued to make headway—advancing by 23 per cent from £35.2m to £59.6m. The current trend and expectations of progressively lower interest rates is a welcome relief, they add. A breakdown of sales and operating profits by region shows: Europe £208.2m (£155.3m) and £23.6m (£17.4m); West £78.7m (£65.5m) and £18.1m (£14.7m); East £94.8m (£82.9m) and £13.9m (£13.1m). Other income amounted to £3.5m (£2.7m), while taxable profits

G. Blair back in the black at year end

over totalled £161.5m and operating profits £28.35m. The company has decided to pull out of the capital equipment market and the wholly-owned Victor Keot subsidiary ceased trading in August. BTR now intends to concentrate on rubber products, and a programme of streamlining and re-organising the company's operations is taking place. First-half stated earnings per share fell to 40.9 cents from 57.4 cents and the interim dividend has been cut to 2.5 cents from 30 cents. In the year ended January 1 1982 a total dividend of 65 cents was declared. See Lex

HME £1m ahead in first quarter

AFTER a £1.5m surplus this time on land disposals Harrisons Malaysian Estates produced increased pre-tax profits from £4.5m to £5.6m for the three months to June 30 1982. Turnover for the period moved ahead from £13.9m to £14.2m. When the scheme of arrangement which was approved by members on August 20 becomes effective, the directors point out that the company will become a wholly-owned subsidiary of Harrisons Malaysian Plantations Berhad. The accounts for HMEPB for the year to March 31 1983 will include the results of the HME group. There was a slightly lower surplus on trading of £3.05m (£3.3m). Investment income slipped from £1.26m to £0.97m, but the share of associates rose from £68,000 to £71,000. Tax took £1.57m against £1.82m. After minorities of £15,000 (£10,000) attributable profits emerged ahead from £3m to £4.21m. A breakdown of harvested crops in tonnes for the three months shows: rubber 8.42m (7.95m); palm oil and kernels 38.21m (34.39m); cocoa 1.06m (0.95m); copra 0.78m (1.07m). The company is 50 per cent owned by Harrisons Crossfield.

Abbey Panels omits interim

COMPARED WITH a loss £2,000 for the second half of last year, Abbey Panels Investment has turned in taxable profits of £298,688 for the six months ended March 31 1982, although these are much lower than the £569,500 for the previous first half. Sales of this manufacturer of space, aerospace, defence assembly and body shells fell by £1.1m to £4.79m for the six months and the interim dividend has been omitted. The directors say that it is essential to continue to reduce all expenditure and protect the group's cash position as far as possible. They add that in addition there will be a heavy tax charge next year, for which provision must be made, so they have decided to pass any interim payment. The net interim dividend for this close company last year was £.3p, followed by a final payment of 0.75p. Pre-tax profits for the whole of 1980-81 were down from £577,323 to £367,201, on lower turnover of £9.3m (£10.15m). The order and trading position remains unsatisfactory and the board says it is unable to see any indications that this will improve in the near future. Directors are continuing to pursue all opportunities and developments across the full range of group activities and to persevere with their cost reduction and efficiency programmes. They say they are convinced that when the recession lifts, the company will be much healthier. Net profits after six months came out at £28,063, compared with a previous £20,332, after tax of £227,523, against £364,174.

Bramall edges higher at midway

DESPITE the extremely competitive market, C. D. Bramall, the Bradford motor vehicle dealer, reports a slight increase in pre-tax profits, with figures up £6,000 to £105m, for the six months to June 30 1982. Turnover rose from £22.56m to £24.48m. The interim dividend is unchanged at 2.05p net—last year's total was 6p from pre-tax profits of £2.11m (£1.67m). Mr D. C. A. Bramall, the chairman, views the next six months with guarded confidence. He says the relaxation of hp restrictions will help the company's business, and he adds that the August market was a record for Bramall and it has several new models in line for release before the year-end, all of which will help its performance up to the end of the year. He expects overall results to be similar to last year.

Expansion at Murray Glendevon

Attributable profits of the Murray Glendevon Investment Trust advanced from £300,686 to £407,067 in the year to July 31 1982 while stated earnings per 25p share moved ahead to 3.93p, compared with 3p. The final dividend is being raised from 1.8p to 2.1p net, making a higher total of 3p (2.7p). The directors say the main change in the portfolio during the year was a substantial investment in U.S. government bonds financed partly with bank borrowings and partly with the proceeds of the sale of UK government stocks and equities. Gross revenue of £1.55m (£1.06m) was made up of franked income of £477,098 (£366,702) and unfranked of £1.1m (£727,382). Interest payable took £399,711 (£572,355) and expenses amounted to £67,091 (£66,078), leaving taxable profits of £643,318 (£475,850). The tax charge was £226,721 (£254,954). After dividends of £308,264 (£277,623), the retained profits emerged at £335,054 (£30,413). Equity shareholders' interest at the year end was £18,75m (£20.25m) and net assets per share were given as 180.6p (£16.4p). On July 31 investments represented 14.7 per cent (12.3 per cent) of net assets.

RESULTS AND ACCOUNTS IN BRIEF

OWEN ROBINSON (retail jeweller)—Results for year to May 31, 1982, reported on August 4. Shareholders' funds £27,162 (£21,000); fixed assets £301,199 (£316,068); net current assets £272,733 (£242,622); decrease in working capital £28,254 (increase £26,721). The company has a "close" status. Meeting: York, October 7, at 3 p.m. **REYNOLDS** (fabric supplier and distributor)—Results for the year ended April 2, 1982, and prospects reported July 7. Shareholders' funds £4.5m (£3.47m); net current assets £1.31m (£1.24m). Compensation to former director £14,000 (nil). **LONDON TRUST**—Results for the year to June 30 1982 already known. Investments listed in Great Britain £27.25m (£28.79m); current assets £3.25m (£2.34m); net current assets £366,230 (£1,102m). The company has a management contract with Touche Ramont and Co. Meeting: 2 Puddle Dock, EC, September 23 at 2.30 p.m. **COORDINATION SYNOVICATE**—No dividend has been received by the company during its current financial year from its Zimabwe subsidiary, Curran Consolidated Mines, and final has been declared in respect of the year to September 30 1982. **J AND J OYSON** (refractories, maffers, building)—Results for year ended March 31 1982 reported August 2. Shareholders' funds £3.55m (£3.41m); net current assets £8.12m (£8.51m); net current assets £7.33m (£7.41m). Net liquid funds increased by £172,231 (£1,07m). Meeting: Great Eastern Hotel, Liverpool Street, EC, October 6, noon. **G.T. JAPAN INVESTMENT TRUST**—Final dividend for year to June 30 1982, 4p (same), making a total of 5p (4.5p). Income £1.03m (£1.67m); pre-tax profit £339,000 (£503,000). After management expenses £214,000 (£189,000) and interest charges of £492,000 (£1.2m); tax £277,000 (£262,000). Stated earnings per 25p share 3.5p (£1.06) diluted. Net asset value at June 30, on basis that 25 per cent convertible loan stock 1987 fully converted, 31p (34p). **BORGARH SERVICES** (facilities contractor, insulation engineer, building equipment of air hizer, fluidised bed furnace maker, and distributor of anti-corrosive coatings)—Results for the year to March 31 1982 reported Sept 9. Shareholders' funds £3.2m (£2.58m); fixed assets £3.61m (£3.09m); net current assets £1,822 (£1,23m); increase in working capital £50,972 (£1,52m). Meeting: Wakefield, October 23 at 1 p.m. **DAVID S. SMITH HOLDINGS** (manufacturer of photographic printed packaging materials)—Results for year to April 30 1982 reported on August 6. Shareholders' funds £1.95m (£1.95m); fixed assets £361,522 (£401,541); current assets £3.45m (£3.72m). Chairman says aggressive competition from overseas is affecting both trading volume and margins and this, combined with the reduction in home demand, results in unprecedented over-capacity within the industry. Meeting: Kingsley Hotel, Bloomsbury Way, London, September 1, at noon. **AAH HOLDINGS** (solid fuel, oil, builders' supplies, pharmaceuticals, road haulage and engineering)—Results for the year to March 31 1982 and prospects reported July 27. Shareholders' interests £24.24m (£28.58m); net current assets £73.87m (£73.87m); current assets £31,07m (£74,03m); including debtors and bill receivable £33.48m (£37,921). Net liabilities £73.87m (£73.25m). Including bank overdrafts £19.95m (£12.4m). Meeting: The Swedish Hotel, 5W, October 27, noon.

BAIN DAWES plc
and
STEPHEN L. WAY INTERNATIONAL

Are pleased to announce the formation of a joint new London insurance broking company "BAIN DAWES (LONDON) LTD."

The Company will provide a full range of insurance services with special emphasis on North American business. It will operate under the umbrella of Bain Dawes plc.

Bain Dawes plc, headquartered in London, is a leading international insurance broker with an annual premium volume of more than £350,000,000. They have offices throughout the world employing in excess of 2,000 people.

Stephen L. Way International is a leading United States Surplus Line broker and Managing General Agent with offices in Texas, California and New Jersey. Precedence is given to large commercial accounts, specialising in all aspects of the transportation industry. The Group also includes two insurance companies, the International Indemnity Company of Texas and the Bermudan based Trafalgar Insurance Company.

BAIN DAWES plc, BAIN DAWES HOUSE, 15 MINORIES, LONDON EC3N 1JF. **STEPHEN L. WAY INTERNATIONAL**, 13403 NORTHWEST FREEWAY, HOUSTON, TEXAS 77040.

LEOPOLD JOSEPH HOLDINGS
PUBLIC LIMITED COMPANY

At the Annual General Meeting held on 13th September 1982 the Chairman, Mr Robin Herbert, made the following statement:—

Since the end of the financial year the long awaited fall in interest rates has commenced both here and in the USA. This welcome move has been beneficial to your company. The current international banking problems have caused concern about the stability of the banking system. I am therefore delighted to reaffirm my remarks in the annual report that your company has no exposure to the sort of international and other risks that give cause for concern elsewhere.

Activity in all departments continues at a satisfactory level and I am hopeful that your company will enjoy another successful year.

Year	Turnover (£m)	Abroad (£m)
1978	£123m	-
1979	£151m	-
1980	£157m	£237m
1981	£166m	£151m
1982	£351m	£175m

ACCEPTING THE CHALLENGE OF THE RECESSION

Aggressive marketing and strong management action to control costs have once again enabled Dowty to produce satisfactory results in spite of fierce competition aggravated by world recession.

Group turnover advanced to £351m—up 11%—and pretax profit to £39m.

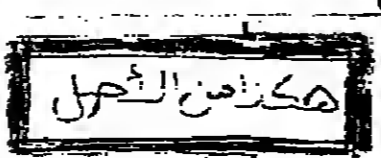
Two new overseas acquisitions will complement the Group's existing business and enhance profits.

The prospects, as viewed by the Chairman, Sir Robert Hunt. *'We expect to make further progress during the current year.'*

Results in Brief	1981/82	1980/81
Turnover	£351m	£316m
Profit before tax	£39m	£36m
Earnings per share	13.6p	13.6p
Dividends per share	3.7p	3.3p
Times covered by profit after tax	3.7	4.1

Copies of the full Report and Accounts from: The Secretary, Dowty Group, Cheltenham, Gloucestershire.

The Annual General Meeting will be at the registered office, Arts Court, Cheltenham, on Wednesday, 6th October at 11.00 a.m.



MINING NEWS

Falconbridge delays reopening Sudbury nickel operations

BY KENNETH MARSTON, MINING EDITOR

WHILE THE world awaits the ending of the economic recession the mining industry must continue to restrict its operations...

Malaysian tin outputs

OUTPUT OF tin concentrates by the companies under the control of Malaysia's Peras Charter Management fell again in August...

Poseidon New Wits takes a dip

AUSTRALIA'S Poseidon, which rose again after the sinking of the wild nickel exploration boom...

The latest earnings, which equal 14 cents per share, reflect the earlier fall in bullion prices...

NEEPSSEND/VAUX

NEEPSSEND has given an irrevocable undertaking to Vaux Breweries that, if within the next 21 days...

EUROPEAN OPTIONS EXCHANGE

Table with columns: Series, Vol., Nov. Last, Vol., Last, Vol., Last, Stock. Lists various European options like GOLD C, F.110, etc.

Companies and Markets BIDS AND DEALS

Pergamon reveals rescue plans for Hollis Bros.

SHARES in the loss-making timber, mercantile, educational, office and laboratory furniture group...

Marchwiel buys Finlas for £11m

Marchwiel, the Sir Alured McAipine building group, has agreed to pay £11m in cash for Finlas the housing, construction and property development company...

ACC has enfranchised 'A' shares

THE ENTERTAINMENTS conglomerate Associated Communications Corporation, which is now headed by Mr Robert Holmes a Court...

SHARE STAKES

Crest International Securities - Director Mr Tom Farmer has purchased 135,000 ordinary shares.

Reed Intl. buys U.S. paint maker for £3.6m

Reed International has through Reed Holdings Incorporated, acquired Parker Paint Manufacturing Company...

S. Pearson in glass interests disposal talks

S. Pearson & Son, whose activities range from banking to industrial and leisure interests...

BAIN DAWES IN JOINT VENTURE

Bain Dawes and Stephen L. Way International have formed a joint new London insurance broking company...

SHAW & CO./ATM

Shaw and Company has announced that by September 10, acceptance of the offer for the Amalgamated Tin Mines of Nigeria had been received...



Interim Report of the Directors

The unaudited results for the six months ended 30th June 1982, are as follows:-

Table with columns: Information, Half-year to 30th June 1982, Half-year to 30th June 1981, Year ended 31st Dec 1981. Rows include Turnover, Trading profit, Interest payable, etc.

The results for the first six months of 1982 show an increase in pre-tax profit of 24% over the first six months of the previous year...

THE TRUNG HALL USM INDEX 129.8 (-0.9) Close of business 13/9/82

LADBROKE INDEX 572.577 (-3)

BSR PLC Interim Report

The unaudited results for the Group, prepared on a historical cost accounting basis...

Table with columns: 6 months 3 July '82, 6 months 4 July '81, 12 months 10 Jan '82. Rows include Sales to External Customers, Trading Profit, etc.

Table with columns: Sales, Trading Profit/(Loss). Rows include Audio, Electronics, Housewares, Industrial.

As regards the Audio Division and as previously reported, the factory at Old Hill was closed in March of this year and short time working was also introduced at the other two factories...

previous period of £2,570,000. The Extraordinary Items represent closure costs including redundancy payments of £2,456,000...

Turning now to the second half of the year the demand for record changers and players is still depressed...

LONDON TRADED OPTIONS

Table with columns: Option, Exercise price, Closing offer, Vol., Closing offer, Vol., Closing offer, Vol., Equity Close. Lists various options like SP (c), SP (p), etc.

G=Call P=Put

N. American bank bond prices continue to fall

BY ALAN FRIEDMAN
NEW Eurodollar bond issues came under pressure yesterday as the dollar market saw prices of many fixed-interest bonds fall by between 1/2 and 1 point.

IBM 12 1/2 per cent \$200m deal seems to be the only one of last week's crop to have got completely away; it traded at around 99 1/2 last night against an issue price of par.

A lot of people were fooled into thinking the IBM 12 1/2 per cent coupon represented the level of the market. But that was an unrealistic level except for IBM.

CABLES UNIT SHOWS INDEPENDENCE

Steering clear of the AEG whirlpool

AEG-KABEL, the healthy cable subsidiary of AEG-Telefunken, the stricken West German electrical group, has succeeded in distancing itself from the financial disaster of the parent company and has set up its own independent banking relationships.

and power distribution, as well as household appliances in the consumer goods sector. Some of the company's operations are carried out by subsidiaries, which legally are independent entities.

As an oasis of comparative success within the AEG group, AEG-Kabel has managed to set up banking relationships independent of its parent company. Part of Kabel's success results from avoidance of the profit and loss transfers imposed by AEG on other majority owned subsidiaries.

West Germany's second largest cable-making company (1981: DM 1,076m) have so far avoided the plunge into insolvency. For the big loss-makers, such as Olympia and Telefunken, the road to financial salvation could still be a rocky one.

As an oasis of comparative success within the AEG group, Kabel has shown that it was possible to take over a series of companies, rationalise them, given sound management.

Interim setback at French Esso

ESSEO SAF, the French subsidiary of Esso of the U.S., reports a loss of FFR 158m (US\$2m) for the first six months of 1982, as oil refining operations continued to erode performance.

Sears Roebuck to shed Spanish subsidiary

SEARS ROEBUCK one of the world's leading retailers has agreed to sell its Spanish subsidiary, Sears Roebuck de Espana, to Galerías Preciados, a Spanish retail company.

The agreement is scheduled to be completed by mid-October. Sears now operates about 77 retail stores and 47 sales offices in 12 foreign countries.

Sharp reverse at Weeks Petroleum

BY OUR FINANCIAL STAFF
WEEKS PETROLEUM, the U.S. run oil exploration company which draws its main revenues from royalties on Australia's East Strait oil and gas fields, suffered a fall of 25 per cent in net income before extraordinary items to US\$4.16m, from \$5.55m.

CanPac dividend is reduced

BY OUR FINANCIAL STAFF
A CUT in the quarterly dividend from 47.5 cents a share to 35 cents has been announced by Canadian Pacific (CanPac) the Montreal-based rail, sea and air transport group which also has widespread interests in natural resources and manufacturing.

Tang Industries to buy McLouth Steel assets

BY RICHARD LAMBERT IN NEW YORK
TANG INDUSTRIES, a privately-held steel warehouse and processing company, has tentatively agreed to buy the assets of McLouth Steel for about \$75m.

Sabine to sell Canada assets

BY OUR FINANCIAL STAFF
SABINE, the Dallas-based energy group which has reached a definitive agreement to sell its Canadian assets, said that completion of the deal is expected early next year.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices which will be published next Wednesday October 13.

Table with columns: U.S. OUTLIER, OTHER STRAIGHTS, CONVERTIBLE BONDS, SWISS FRANG, DEUTSCHE MARK, YEN STRAIGHTS. Includes bond names, amounts, and price changes.

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State Electricity Commission of Victoria advertisement. U.S. \$120,000,000. Fifteen Year Multicurrency Loan Facility. Guaranteed by the Government of Victoria. Includes logos for SEC and various banks.

Middle East bank to double capital advertisement. By Our Banking Correspondent. GIB International Bank (GIB), the Bahrain-based bank owned by seven Middle Eastern governments, is to double its authorized and subscribed capital to ED 200m (\$530m).

FINANCIAL TIMES SURVEY

Tuesday September 14 1982

Advance Factories

The government has had considerable success in attracting private capital into the factory building programme. But in the private sector even better results might have been achieved with a more unified approach.

WITHIN THE next three or four weeks the first factories on a small development in Merthyr Tydfil undertaken by the Welsh Development Agency will be completed. The agency is just putting the finishing touches to 12 units on the Cyfarthfa Industrial Estate and already it has had inquiries about three of them.

The Cyfarthfa Industrial Estate is a microcosm of what is happening throughout the whole of Britain. The estate takes its name from, and is on the former site of, one of the oldest ironworks in the world. The original Cyfarthfa works made the cannon used by Nelson at Trafalgar. But the works closed in the 1920s and was converted into an aircraft factory during the war. More recently it made toys for Triang.

Now the factories, which range in size from 4,500 sq ft to 35,000 sq ft, are intended to bring work to an area that has been hard hit not just by the recession but more fundamentally by the enormous structural changes which Britain has sought to come to terms with over the past 30 years.

The advance factory building programme is a vital arm in the search to find more modern sources of production, provide employment and create an industrial Britain capable of meeting the needs of the next century rather than the last.

That programme, however, is unfortunately not being conducted in any unified way. In Scotland and Wales the factory programme is the responsibility primarily of the development agencies but areas with development boards, such as Mid Wales and the Highlands and Islands,

are autonomous. In Northern Ireland factories come under the Industrial Development Board and in England they are the responsibility of the English Industrial Estates corporation. This split is also reflected to some extent in aims. In the last two years the EIE has been given a lot more commercial responsibility; it has been told to draw up its own plans, bring

get the EIE to go ahead on social reasons without setting a rate of return. But it has only once exercised this option—on a 20,000 sq ft factory in Scunthorpe—and has to meet the cost. The involvement of private capital in the factory-building programme has been very successful. In England last year the EIE had a budget of £40m of

In Wales the WDA has co-operated with Norwich Union in projects at Bridgend costing £5.5m which involved 38 factories. By the end of financial year 1981-82 13 of these had been let or reserved. At the same time, CEN Properties, the company holding the property investments of the NCB pension and superannuation funds, had been in-

Given these two factors the corporation expects its regional managers, all of whom are professionally qualified, to make recommendations for building on the basis not only of the financial factors involved. They must estimate the building costs, likely rent roll and the possible period before a building is occupied.

When all these have been costed out the manager must turn them into a forecast return on capital and, as a further check, the corporation then exercises a two-year rule.

That is, if there is an amount of property available which will take two years to fill then no further building goes ahead until that period has elapsed. Such a check is in operation in Liverpool and parts of Merseyside, which is well supplied with factories of all sizes.

Contrast this with both Wales and Scotland where massive projects have been put forward in steel-closure towns such as Cardiff, Port Talbot, Shotton and Glasgow. In Wales, for instance, 2.48m sq ft of industrial premises and new factory space were added last year, following massive Government subvention.

This has led to an enormous amount of factory space coming onto the market, much of which is sticking at the moment. In Wales, for instance, there is about 2.5m sq ft of available space but after what has been described as two years of the heaviest development programmes undertaken by any property developer in Europe

Building for the future

BY ANTHONY MORETON, REGIONAL AFFAIRS EDITOR

in institutional funding and produce as near as possible a commercial rate of return, on its operations.

In Scotland and Wales the agencies consider their first responsibility is towards job creation or economic stimulation and while they work to a rate of return the Welsh at least do not say what it is.

In England the position is quite open. Projects in a special development area have to meet criteria that will produce a 5 per cent rate of return, 6 per cent in development areas and 7 per cent in an intermediate area. Scotland has no hard-and-fast rules but says 5 per cent is at the bottom of the scale and 7.9 per cent is nearer the norm.

If the Department of Industry, the sponsoring ministry in England, wants a particular project undertaken then it can

which £14m was accounted for by sales and private capital. This sum is expected to be slightly lower this year—probably about £84m of which £11m will be raised externally.

The problem in England has been to get the institutions interested in properties within the development areas.

If the EIE can get a return of 8.9 per cent in an intermediate area, the institutions can be interested in a project because they go for rental growth rather than capital appreciation. But the corporation admits it is much more difficult to get them interested in special development areas or development areas.

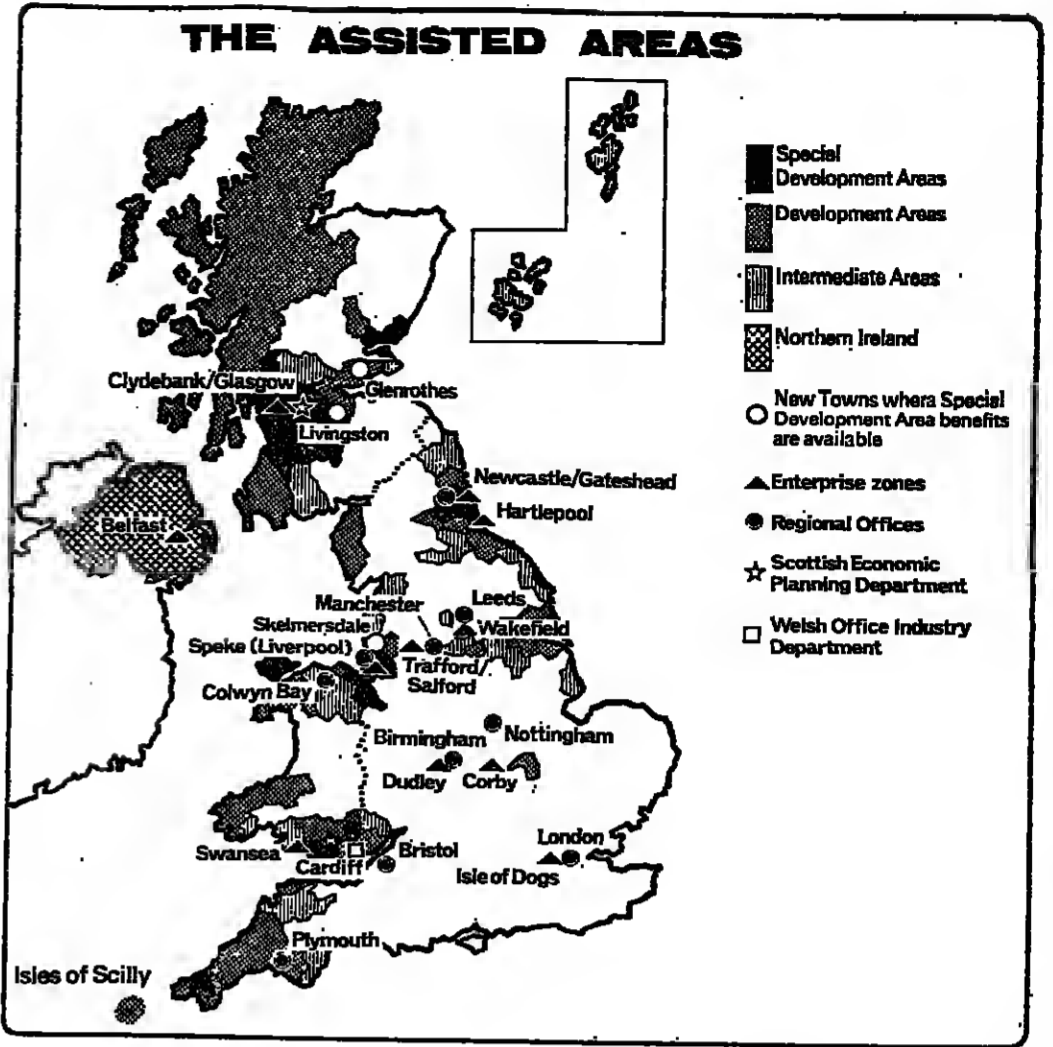
Out of the £14m handed back to the Government in 1981-82 the corporation estimates that some £3m of this came via private capital. This indicates a fair measure of success.

involved in projects at Cardiff, Barry and Swansea.

The NCB pension fund has also been active in Scotland, especially in Glasgow. Sales and private sector involvement are estimated to have raised between £3m and £5.2 last year towards a spend on advance factories, including site development of £20m though approximately £5m more has been spent on refurbishments which in effect produce new factories.

The unemployment factor has not been ignored, of course, in England. The first criterion for the allocation of any new building programme is the level of unemployment in a travel-to-work area. But it is not the sole criterion. The corporation also takes into account the level of vacant property in that area.

CONTINUED ON PAGE V



Regional Aids

Special Development Areas
Development Areas
Intermediate Areas
Northern Ireland

22 per cent on new plant and machinery.
22 per cent on new buildings.
15 per cent on new plant and machinery.
15 per cent on new buildings.
No grants but selective financial assistance available.
Industrial development grants of 30-50 per cent of the cost of new buildings, machinery and equipment.
Grants towards start-up costs; factories rent-free for up to five years; interest relief grants; training grants; help for transferred workers; R & D grants of 40-50 per cent (max. £250,000).

Selective financial assistance

This may take the form of project grants, training grants or guarantees against exchange losses on loans from the European Investment Bank and the European Coal and Steel Community.

Other assistance

This may include rent-free periods for factories, aid to companies in the mining industry, grants up to 50 per cent of the capital cost of a tourist project or interest relief grants. Other assistance may be available. Regional office of the Department of Industry in England should be consulted or the relevant departments in Scotland, Wales and Northern Ireland.

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100 per cent allowances on new buildings.
No development land tax.
Speedy planning decisions.

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Handwritten note in a box: "K. J. Jones"

Wales launches new programme

Welcome advice surgeries in rural areas

ADVANCE FACTORIES in Wales amount to more than just providing industrial premises in locations which find it difficult to attract private investment. They have been elevated into a major instrument of industrial and regional policy.

In the financial year ending March last, the Welsh Development Agency (WDA), completed no fewer than 456 new advance factories, amounting to 2.43m sq ft of new space. This was more than the Agency completed in the whole of the previous five years of its existence, when it added 290 factories, or 1.86m sq ft, to the property portfolio inherited from its predecessor the Welsh Industrial Estates Corporation. For the moment the Agency's construction programme has turned the WDA into the biggest single industrial property developer, certainly in the UK, and possibly Western Europe, and sharply increased its total stock of factory space to close on 20m sq ft.

The main reason for this burst in advance factory building was the dramatic loss of

jobs in the Welsh steel industry two years ago.

The precedent had been set by the previous Labour Government, which gave the WDA principal responsibility for tackling the difficulties caused by the closure of the British Steel Corporation's East Moors, Cardiff, steelworks and the rundown of iron and steel making at Ebbw Vale. Major new industrial estates and a sizeable stock of advance factories are still in the process of being developed at both localities.

Although the Conservatives were less than enthusiastic about the WDA at its inception in 1975, having arrived in Government they too chose to use the WDA as the principal body for tackling the economic crisis in areas hit by the fresh steel rundown of the early 1980s.

Shotton, in North Wales, received a special allocation of £15m following the end of steel-making there, much of it going into new industrial units and infrastructure on Deside, the Wrexham industrial estate and in other parts of north-east Cwmyd. Similarly, the rundown of employment at BSC's Port

Talbot and Llanwrn steelworks resulted in the earmarking of an extra £48m in Government aid over two years towards industrial estates and advance factories. Subsequently the Agency has been required to introduce a further £8m special programme in the Llanelli area to compensate for the closure of the Dupont steel works.

The WDA has also responded to pleas for advanced factory premises to be built in parts of Wales not immediately hit by the steel crisis. It has launched a sixth general construction programme in the past year. This involves the building of 78 advance factories totalling 360,000 sq ft at 15 locations, predominantly in rural areas. For the first time the Agency is developing small workshops in countryside locations, some in converted buildings to blend into rural settings.

£5m deal

Not all the Welsh advance factory construction has been wholly at the taxpayers' expense. A £5m deal with the

Norwich Union Insurance Group has resulted in 38 advance factories being built on the Agency's Waterton industrial estate at Bridgend; a £3m deal with CIN Properties has underpinned the construction of 36 nursery factories at Cardiff, Barry and Swansea.

In addition, the WDA last year raised more than £5m from the sale of factories, mostly to tenants, and from the disposal of land to help finance its activities. Negotiations about further property sales to both tenants and potential investors are continuing. The agency's annual report forecasts that these negotiations could yield more than £7m over the next two years.

Property consultants Healey and Baker were recently re-appointed as the Agency's advisers for a further two years. They also represent the WDA in its dealings with leading financial institutions.

The recent scale of the WDA's advance factory building effort would clearly have become questionable but for the conspicuous success in finding tenants for the WDA's mounting stock of new properties.

But thanks to the Agency's power to back the construction programme with a vigorous marketing effort, no fewer than 218 factories totalling 1.37m sq ft were let during 1981-82. This was double the number let in the previous financial year—and no mean achievement given the current economic climate.

Even so, the rate of lettings was not sufficient to prevent an increase in the Agency's stock of unoccupied premises. These increased from 7 per cent to 14 per cent of its overall portfolio during 1981-82. As a result the Agency has said it intends to "rein back" the rate of construction, at least until there is more of a recovery.

Meanwhile new design standards for advance factories have recently been produced by the Agency, with the aim of providing units to suit a wider range than hitherto of manufacturing, distribution and service industries. Wales must remain in a position to offer a competitive range of industrial premises to meet all requirements if it is to make significant inroads into its current high level of unemployment.

Robin Reeves

THE RESULTS of the 1981 census published earlier this year showed that for the first time in a century the population of mid-Wales recorded a definite increase. There is little doubt that the work of the Development Board for Rural Wales has played a significant role in turning the tide.

The DBRW was founded just over five years ago with a budget of £6m (now some £9m) to tackle the age-old problem of depopulation in the five Welsh rural districts of Montgomery, Meirionnydd, Ceredigion, Brecon and Radnor. It took over the functions of the Mid-Wales Development Corporation, which was charged essentially with developing Newtown—one of Wales' two new towns—and Cosira's activities within the region. It also acquired some new duties.

Starting by taking over responsibility for the 36 Welsh Development Agency advance factories within its area of operations, the DBRW now

owns and manages 263 factories totalling over 2m sq ft which provide an estimated 6,700 job opportunities.

The Board's programme includes construction of a further 59 factories totalling 131,500 sq ft. New factories or extension projects are to be completed at 17 locations. As Newtown approaches its target population increased emphasis is being given to the Aberystwyth and Llandrindod Wells/Rhayader/Builth Wells growth areas.

Allocated

A measure of the Board's success is that despite the recession in the 1981-82 financial year, 67 factories were allocated to tenants promising 800 new jobs. From August 1 assisted area status was withdrawn from large parts of the Board's operating area as part of the Government's regional policy changes. However, it has been given a £350,000 grant facility to compensate and details of how the facility will benefit advance factory tenants

will be published in the autumn as part of a marketing drive.

In the past, the Board has been greatly helped in its task of finding tenants for its factories by its unique power among development agencies to build houses for key workers and even the entrepreneur himself. This has enabled the Board to satisfy the requirements of the aspiring new businessman for whom the only source of initial capital is the sale of his or her house.

Also, because from the outset the Board had to think small, it pioneered the construction of small starter or nursery units of as little as 250 sq ft.

The DBRW has always seen its economic responsibilities as going way beyond the mere provision of premises. It provides tenants with a comprehensive business advisory service. Recently it introduced a system of advice surgeries with dates and venues advertised in advance. The 100 surgeries attracted 200 people.

Robin Reeves

Scotland sees carrot as vital

IN SCOTLAND more than any other region of Britain, a coordinated programme for promoting industrial development is in operation. Advanced factories are very much part of the notion.

The plan is a deliberately loose affair. It provides a framework of economic aspirations designed to encourage certain industrial sectors which show promise of growth in the region. The battery of Government aids is used to get things moving.

The advanced factory programme is seen by the Scottish Development Agency, the Government's industrial promotion body for Scotland, as a crucial carrot to encourage entrepreneurs to invest.

Some factory projects are guided by their location and size. Units have been built at a science park next to Glasgow University, for example, spec-

ically to nurture high technology companies.

These are small, neat units of several hundred square feet designed to fit the needs of first phase ideas in their research and design stage.

Other larger units are planned as part of an industrial regeneration programme for Dundee. SDA consultants see the provision of bigger factory units as suitable for the second phase commercial development of ideas coming from the science parks.

Flexibility

But the advanced factory is there to suit the customer so flexibility is intrinsic to the plans of Mr Ray Bleasdale, the agency's director of estates and environment, who is in charge of factories policy.

The agency is the region's largest landlord. It owns 26m

sq ft of factory space throughout Scotland—a total of 1,339 individual factories.

But being the biggest landlord is no virtue, says Mr Bleasdale. Increasingly the agency would like to see the private sector take a greater role in the provision of advanced factories.

The private sector has up to recently fought shy of extensive factory building. But during the past year the first steps have been taken to bring it into development and financing.

In an industrial regeneration programme for Leith, the port district of Edinburgh, the SDA withdrew from part of its factory building plans to allow one developer, the Smart Company, based in Scotland, to take on some of the work.

The opening in July of a £300,000 factory development at Ayr, north harbour, which marked the 4m sq ft of indus-

trial space built by the agency since it was set up in 1975, was the first result of the involvement of private financing in factories. Finance for the project was supplied partly by IBOS Finance Limited, part of the Bank of Scotland group.

The first hurdle for Ray Bleasdale and the agency has been to win the confidence of the private sector in factory building. This has been done by the protection offered through the involvement of the agency.

Private developers and financial organisations are brought in through shared rents or through lease-back arrangements with the agency.

The agency has resisted the predictable desire from developers for long leases. It is pushing for short leases because these encourage tenants to constantly review their space requirements as they expand.

The agency uses its own assessors to set rents. Their job is not easy. They have to determine rents in marginal areas which need to pull in new industry through cheap accommodation at the cost of a poor return on capital and then allow more market price orientation for factories which are sited closer to more promising areas.

New factory construction and the preparation of industrial sites account for 27 per cent of the agency's expenditure in the year. By the end of March 227 factory transactions had been made for the year—a 25 per cent increase over the previous year's transactions.

Lets topped 200,000 square feet in July. Fiber materials of the United States took a factory in Galashiels in the borders and Dynamit Nobel also took space in the borders.

The agency builds for both the manufacturing and service sectors. The bias in favour of manufacturing has been eroded as the service industries have gained strength in the region.

The SDA has its own team of designers and architects for its factory programme but they only work on about 20 per cent of the programme.

The designers have concentrated on producing flexible units which can easily be subdivided. Attention has also been given to energy savings.

The advanced factory programme applies to the central and north east regions of Scotland and Aberdeen, but not the Highlands which has its own programme run by the Highlands and Islands Development Board.

Mark Meredith **M. M.**

Highlands board working to five-year plan

THE CLOSURE of British Aluminium's Invergordon smelter on the Cromarty Firth meant the loss of 890 jobs. It dealt a blow to a sparsely populated area much worse than the impact which the loss of a larger plant would have had in a city.

As a result the framework of an advanced factory programme for the Highlands to attract new industry has taken on a new importance.

But building factories to strew in the path of entrepreneurs is no guarantee of success in this part of Britain. Building costs are thought to be about twice that of the Glasgow-Edinburgh central belt. Foundations present problems. They are usually bog or solid rock and extra insulation is needed against the extremities of weather.

Encourage

The Highlands and Islands Development Board, the industrial promotion agency for the north of Scotland, has a five year rolling programme for advanced factories—part of a £10m building programme.

The programme fits into its overall plans to encourage not

only new industries but also a diversity of activity. The lesson of Invergordon has been not to put too many eggs in one basket. While the Highlands board would like new technology industries to set up it realises it cannot be too choosy.

The recent nomination by the Scottish Office of Invergordon as an enterprise zone could prove a major step in this direction.

Conscious of the marginal appeal of the Highlands the board offers what it says are probably the lowest rents on factory space in the country—as low as 60 pence per square foot and about a quarter of the level in more prosperous parts of the country.

The emphasis is on small units—2,500 square feet and under—to encourage company start-ups and high technology companies. At least two micro-electronics firms are already board tenants. Short leases also encourage regular reviews by companies of space requirements as they grow.

During the first 18 months of the five-year rolling programme to March 1983, the board plans to acquire about 70 acres to build 110,000 square feet of factory space. Forty units were

built in 1981 providing about 100,000 square feet.

About 75,000 square feet is now on offer throughout the Highlands board's vast area of responsibility.

Warehousing

Private developers have steered clear of advanced factory development in this region although there is some private sector financing for service industries and warehousing. The board's building programme is specifically orientated to manufacturing industries.

The regional and local authorities in the Highlands have a much smaller assortment of advanced factories and warehouses.

Within the board there is some feeling that the local factory planning of local and Highland regional authorities does not always complement the board's overall programme.

Board officials have complained of long delays in getting clearance from local authorities to acquire land for HDB factories and of local government dragging its feet in agreeing to board plans.

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ADVANCE FACTORIES IV

Enterprise zones: the experiment that suddenly grew

THE GOVERNMENT'S announcement at the end of July, just before Parliament rose for the summer recess, that a further 11 enterprise zones could be created caused a lot of surprise in the property world.

It was known that both the Department of Industry and the Department of the Environment, the two ministries most closely involved with the zones, were pleased with the way in which the first 11 zones had got underway. But the property world took the Government at its word when it said the creation of enterprise zones was an experiment. It was expecting some proof of how that

experiment was faring before having to digest more.

The Government has, in effect, jumped the gun on its own research. The progress of the zones is being studied by outside consultants whose report on the first year of operations was cautiously non-committal. A further report, on the second year, is expected later this month when a clearer picture should emerge.

However, with 11 zones now well into operation—in Clydebank, Swansea, Belfast, Newcastle/Gateshead, Hartlepool, Wakefield, Dudley, Corby, Salford/Trafford, Speke in Liverpool and the Isle of Dogs in London—and 11 more to come

it is clear that this arm of economic policy is firmly established.

The private sector of the property world maintains strongly that enterprise zones, with their rates holiday, 100 per cent allowances on new buildings, and speedy planning decisions, merely lead to a re-allocation of resources rather than a creation of new resources.

It also claims that the creation of zones within a cordon sanitaire depresses land prices and rental values in the areas adjacent to the zones through the creation of an artificial market within them.

There is no hard proof that this has happened, though it

may be the case in Manchester, where the enterprise zone is partly within the giant Trafford Park industrial estate.

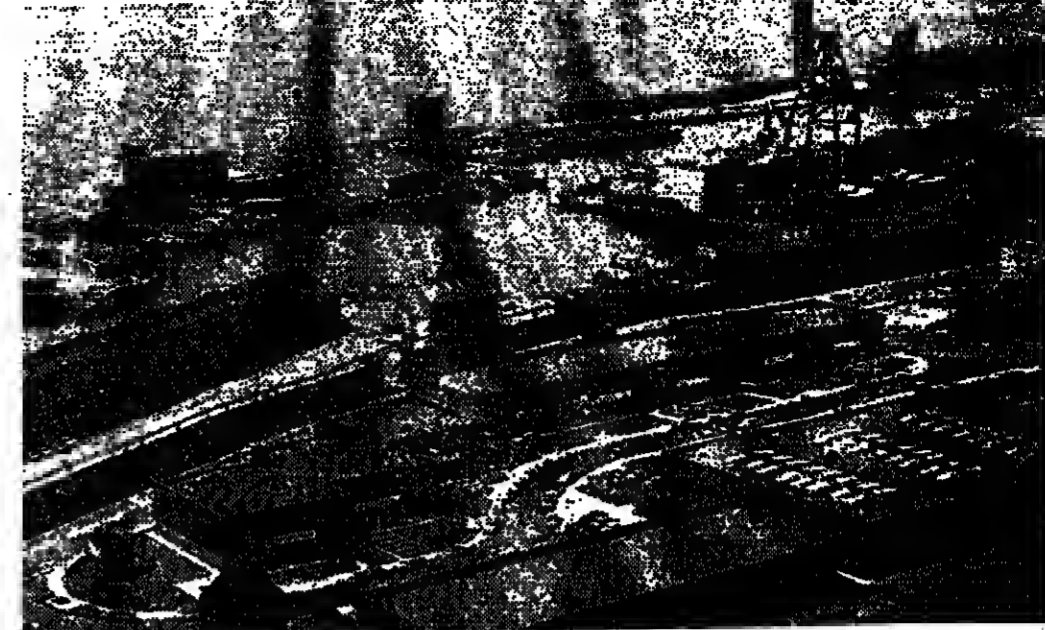
Elsewhere, the evidence tends to be conflicting. In Corby an analysis of the first 34 concerns into the zone shows that 15 were entirely new projects, 11 came from the south-east of England, one was the subsidiary of an overseas company and only five came from within 25 miles of the Northamptonshire town.

Conversely, in Speke, Liverpool, the emphasis was much more on local concerns. Of the first 15 to set up, nine came from Liverpool, one from elsewhere on Merseyside, one from

outside the county, one from overseas, and three were start-ups.

Swansea has had a similar experience. Of the first 35 concerns, 16 have relocated, most of them with West Glamorgan.

Liverpool Development Agency claims that the 15 — 13 of which are manufacturing concerns — have retained 119 jobs in the city and added another 225 fresh ones, which should rise to 409 in two years' time.



These factories, in Great Howard Street, Liverpool, are typical industrial units being offered by Merseyside County Council and other district authorities on Merseyside.

Contracts

In Corby the enterprise zone is filling rapidly. Some 60 per cent of the available premises have been filled and contracts are being negotiated on another 30 per cent. This leaves relatively little space in the town and the authorities hope they will get a second zone when the new allocation is made.

Conversely, in Liverpool there is ample space. Factories put up by the English Industrial Estates Corporation are on the market and there is about 45,000 sq ft available in small and medium-sized units. The local authorities believe this is sufficient for about the next 12 months.

Then there are both the former Dunlop and BL works which are available. One company, Edward Mills, of Bootle, has already moved into the Dunlop site and a client has been lined up for part of the massive 1m sq ft BL works.

Both these should act as catalysts for others to come into what are difficult lettings. Liverpool has the distinction of

attracting a Mexican concern to produce "authentic Mexican food products" under the name El Macho.

Farther north, in the Newcastle-Gateshead zone, which includes the home of English Industrial Estates, 36 new companies have arrived. Particular attention has been paid to the small units.

There are a lot of empty units at low rents in this zone and until these are disposed of it will be difficult to interest the

private sector in participating in any development.

Swansea has attracted a number of big names, such as Debenham, Bass Charrington, Tesco and Usher. Marks and Spencer is discussing the setting up of a warehouse in the zone.

The private sector has been active in Swansea, with CTI developing six units, of which one of 3,500 sq ft is left, and Enterprise Zones Developments has virtually completed its first phase.

It is estimated that about £1m a month is being put into private construction either in advance factories or by companies for their own occupation.

These examples indicate a considerable amount of activity within the 11 zones. It is activity which is greatly encouraging the Government in its policy though it remains to be proved how much new activity is being created by the developments.

Anthony Moreton



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Profit from the start

An impressive range of economic incentives is offered, in addition to those normally associated with a special development area. Check the list.

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- Exemption from Development Land Tax.

These benefits reduce initial capital costs and increase your first year rate of return. Furthermore, 35% of the Zone is already a thriving industrial area, bringing you security and long-term growth.

Room to spare

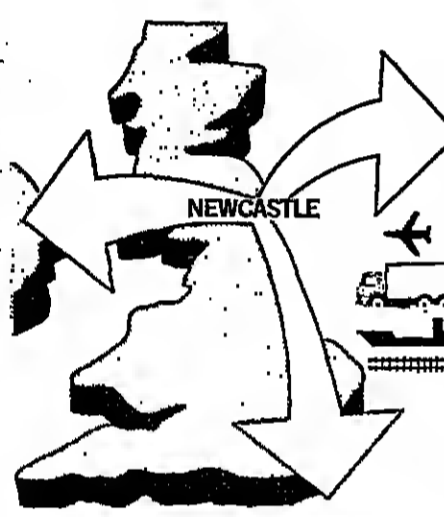
Out of 1,114 acres of land, 250 acres are fully serviced in plots from 1/4 to 70 acres. And there's 300,000 sq.ft. of premises on offer now.

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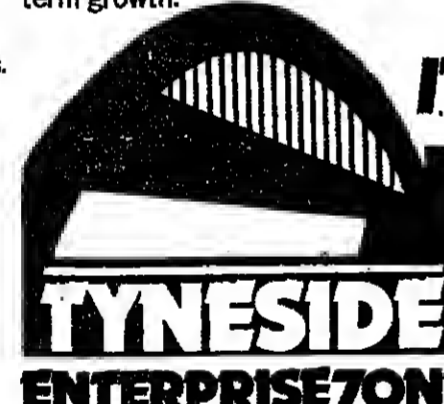


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Vigorous Economy.

Excellent communications

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IT'S ALL WAITING FOR YOU IN THE CAPITAL OF THE NORTH

THE GREAT advantage of Britain's two experimental urban development corporations is encapsulated in a sentence from Mr Derek Hemingway, of the one set up for the London Docklands. He says: "We reckon we can put planning through all its stages in just two weeks."

The process can take months or even years in some local authorities. Faced with this, some people may well wonder why either UDC—the other is on Merseyside—need bother with advance factories at all. Indeed, as far as large customers are concerned, part of the attraction of a move into the old docklands of Liverpool or London is likely to be the ability to have anything they want within reason, and move in as fast as they can have it built.

But that, of course, would fail to recognise the need of small and medium-sized companies. They too need to be as free as possible from planners' bureaucracy, but they also need reasonably priced, off-the-shelf factories that can be occupied quickly and with a minimum of formality and fuss.

So, although both UDCs are still in the early stages of their

own development (each was vested with its sweeping, independent, planning powers only last year) clear policies are already evident on advance factories. In both cases there appears to be a plan to build a structure of off-the-shelf availability that recognises the way industrial regeneration actually seems to be taking place in Britain today.

Needs

In effect, this is a market-oriented approach. The needs of the companies are recognised, both for start-up and growth, and the factories to satisfy those needs will be built accordingly in good time.

This is in marked contrast to what has been seen outside the UDCs in the past and it is obvious that lessons have been learned in developing an integrated approach. Take Merseyside, for instance, where there is now plenty of off-the-shelf availability of factories throughout the region.

Many of these, however, are empty and sticking because they are simply too big. Each 1,000 sq ft of space usually supports about three jobs, so a 20,000



Redevelopment under way in the London and Western Dock. New factories and other amenities will put the Docklands to use again.

sq ft factory needs a company with at least 60 employees to fill it. There are not many companies of such a size in the market for premises these days.

Even a 5,000 sq ft unit is needlessly cavernous for many small companies, yet such companies have until comparatively recently had to take on such liabilities because that is all there was.

The pressure for ever smaller units was evidenced by the fact that as soon as any became available, they became the most sought after. And when units of only 500 sq ft—the size of a double garage—were tried in Wirral and Warrington New Town they went like hot cakes to tiny businesses employing only one to three people.

houses numerous small high technology companies in ill-conditioned, shirt-sleeved comfort, is a prime example.

Both the London Docklands and the Merseyside Development Corporations will eventually be able to satisfy all these needs within their areas. On Merseyside, the New Enterprise Workshops are being created from an old transit shed in the heart of the docks, a project funded by the MDC and S.A.T. Industries. In London, Cannon Workshops, a subsidiary of the Port of London Authority, is offering 135 working spaces ranging from 80 to 1,650 sq ft.

Estatesmanship!

Means one-upmanship for a factory mortgage

It's a mortgage at only 1% over bank base rate for any detached EIE factory or warehouse. Arranged through the four main clearing banks, 100% loans are available, with repayment terms of up to 20 years. And a buyer of new industrial property in an Assisted Area may also receive a regional development grant which will effectively reduce capital outlay.

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That's fully serviced prime development land in Gateshead, Hartlepool, Wakefield and Speke Enterprise Zones. Plots from 1/4 to 70 acres ready now. Ask about 10-year rate free for occupiers, 100% Capital Allowances and simplified planning procedures for a wide range of commercial and industrial uses.

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ENGLISH INDUSTRIAL ESTATES

Speeds

With speed that has astounded daily passers-by, the MDC has in less than six months put up 39 small units on a 2.9 acre derelict street corner in Bootle. Starter units are only 550 sq ft in size while bigger factories range up to 2,450 sq ft. Leasing formalities are minimal and rents are from £2.20 to £3 per sq ft.

The LDC is putting its total package for advance factories—a mixture of small, medium-sized and high technology units—out for offers and hopes to announce soon which architects will be involved.

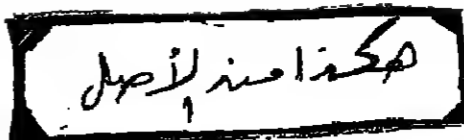
And on Merseyside, buildings that will house parts of the 1984 International Garden Festival, which the MDC is running on land reclaimed from a rubbish tip, a tank farm and a disused dock, will be designed for conversion to high technology advance units afterwards.

The MDC stress that it will also be policy to dovetail factory provision with what is also available nearby outside the corporation boundaries in Liverpool, Bootle and Wirral where the local authorities and English Industrial Estates have all been active. This means, in effect, filling in gaps in local markets.

Overall, therefore, the UDCs are adopting sensible policies towards advance factories and will be able to cater for companies from the cradle to the point where they order their own custom-built giant complexes. All the corporations need are companies that grow into the spaces.

Ian Hamilton-Fazey

كندا لصدر



Architects more involved in factory design

OVER THE last hundred years and more architects have become increasingly involved in the design of industrial buildings. The first system-built building on a major scale, the Crystal Palace, although designed by engineers pointed the way forward for architects. Production processes in the two World Wars also acted as catalysts—showing the need for a well-designed approach to the mass production system.

Today architects are involved in the design of buildings for industry as never before. In Britain architectural practices like Richard Rogers, Norman Foster Associates, Nicholas Grimshaw, Ahrends Burton and Koralek, Arup Associates, Michael Hopkins and many others have established a very high reputation for careful design for industry. Companies such as IBM and the Government-backed Immos microchip industry have both commissioned buildings from architects who are in the front ranks of design.

There is also a new school of thought among some designers which believes that industrial buildings should not be seen as buildings at all but as a kind of "chassis or rig which can be adapted, added to or dismantled to meet changing operational requirements" (Architects' Journal). This kind of thinking is looking ahead to the day when much of the industrial process will be manned by robots. In terms of investment this means that the cost of the machines and the robotic handlers will be a thousand times more expensive than the building. The exception to this will be the kinds of building designed for a very specific production process demanding a special environment.

A recent example of a very specialised kind of advance factory and distribution centre is the Fleetguard works for the American Cummins Engine Company which has been designed by the UK firm of Richard Rogers and Partners and built at Quimper in Brittany, France. The site was chosen as a centre for the company's European operations—manufacturing and distributing heavy-duty engine filters.

Cummins is an interesting company with a commitment to modern architecture. In America at the company headquarters at Columbus, Indiana, architects like Saarinen, J. M. Pei and Kevin Roche have created a town of industrial buildings that is of quite outstanding international quality.

In the Brittany building the architect exposes tall red steel columns from which are suspended a web of cables to hold the roof. It is a remarkably elegant structure that allows for the maximum amount of uninterrupted floorspace and of a design with lessons for many others.

It is based on very consistent principles. The structural elements are clearly expressed on the outside of the building and the principle of suspension controls all elements. The entrance bridge is suspended from the perimeter beam, the main staircase hangs from the main roof beams and all servicing for air handling and cooling is supported from the roof. None of the walls is load-bearing.



Purpose-designed units at Winnick Quay, Warrington. Architects are producing some pleasing and highly successful buildings for industry

highly organised series of different building operations can be carried out sequentially. The essential elements for the design of the sort of factory that is used for advanced micro technology can be seen at Immos. The building—and this would apply to almost any new factory for the new technology—is a highly serviced box with air inputs and outputs together with a system for the removal of noxious liquids. The servicing has to be almost up to the standards needed for a nuclear reactor.

Together with these highly technical requirements there are still the more conventional—the need for good offices and canteens and a general feeling of well-being about the working spaces. A central plant room to service both the production and administrative sides of the building is a focal element of the design.

In the latest types of factory for high technology the budget is half-consumed by the need for elaborate servicing. Within the remainder of the budget, often less than 50 per cent, a building has to be designed. The tight budget is probably the main reason for the careful development of the lightweight,

loose-fit, prefabricated principles that now govern the design of factories. Architects like Nicholas Grimshaw have long been fascinated by the needs of modern industry for simple buildings which can be built quickly and to a set design that renders them usable for a variety of manufacturing processes. He has developed, along with other architects, a sophisticated and smooth dry bolt-together system of building.

He sees the need for an innovative kit of lightweight parts sufficiently flexible to change with varying requirements. Because despite the recession industrial buildings have still been built, architects like Grimshaw and Michael Hopkins have been able to process their kit of parts approach.

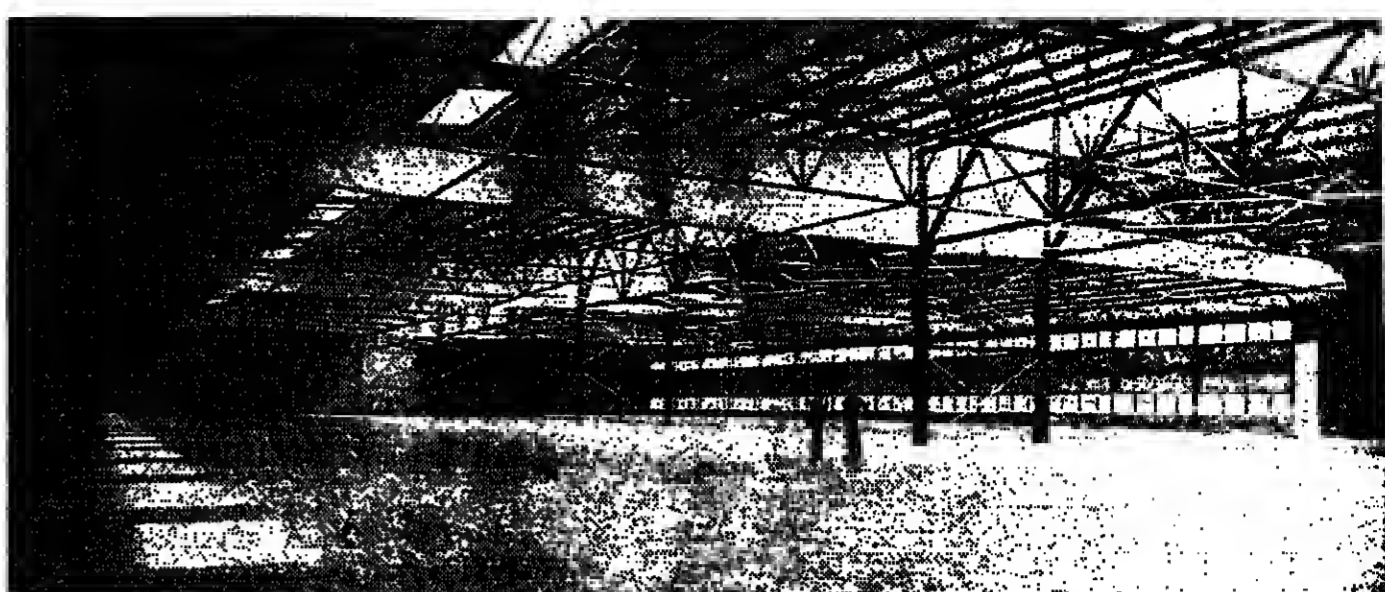
Steel frame with aluminium and neoprene walls are the basic ingredients. What the architects have done is to innovate aspects of this sort of design long before the industry. Bathroom, shower and lavatory units are produced to regular steel module and slotted into existing or new buildings.

The architects frequently complain that their innovative design which would simplify the factory building system are not taken up by the manufacturers of building components. Instead of an organised mass production system many of the elements of the factory design are still treated by the building industry as one-off jobs.

Examples of the kind of kit of parts design with smooth edges, perhaps the most successful development of high-technology architecture, are to be seen at Milton Keynes and Warrington New Towns and at the Aztec West Technology Park.

The future of factory design in Britain lies in the component approach to industrial buildings. Industry has become smaller and cleaner and can be built with less impact on our cities. The town planning implications are only just being grasped in the Enterprise Zones. Architects are for once in the forefront working for an efficient and elegant future in factory design.

Colin Amery
Architecture Correspondent



Interior of one of two huge warehouses built for the National Water Council on the site of the old film studios at Denham, Bucks. The buildings were completed rapidly by using pre-cast concrete sections

Support for enterprise agencies

A RAPIDLY growing number of local and regional initiatives have been launched during the recession in an attempt to foster the growth of small businesses and, in some cases, to help ailing companies.

Broadly they fall into two groups. The first, and by far the largest, are enterprise agencies and trusts which have usually been started by large companies to help small businesses, often in partnership with chambers of commerce or local authorities.

The second group comprise enterprise boards, a few of which have been set up in areas such as the West Midlands and Greater London by local authorities to try to create ideas.

Although the names of the two groups are confusingly similar, they are very different in conception and practice. But both aim to foster industry.

Enterprise agencies (or trusts) are voluntary in nature and, as such, are enthusiastically supported by the Government. The Department of Industry believes they are a potentially important source of advice for small businesses, while the Department of the Environment regards them as an effective way of harnessing large companies' help in tackling the decline of inner cities and other community problems.

They concentrate on providing advice—and sometimes property—for small businesses; but they hardly ever offer financial aid.

Enterprise boards are the offspring of local authorities and offer finance as a primary function together with a range of other advice and assistance. The Greater Manchester Economic Development Corporation, for example, has been actively involved in putting together parcels of land, where it provides the necessary services before selling to the private sector. It has also mounted national competitions to find entrepreneurs with bright ideas, who would be willing to set up in business in the area. The West Midlands Enterprise Board has recently made its first investment to save an ailing foundry.

The London board is now being set up following disputes over whether it should concentrate on supporting small businesses or on bailing out lame ducks. A mixture of aims is likely to emerge.

Both types of organisation can operate constructively alongside each other, providing for example the local authority involved does not demotivate the large companies which sponsor the agencies.

Because of the rapid growth of enterprise agencies, there are various estimates of how many have been set up since they first appeared at the end of the

1970s. The Industry Department believes there are more than 60 dealing with small businesses, while the Environment Department puts the figure at over 100 if those with wider community interests are included.

The largest and one of the oldest is the London Enterprise Agency which has an annual income of £210,000 and over £1.5m capital tied up in property developments such as a warehouse converted for small workshops in Spitalfields and a small factory estate by the River Thames in Wandsworth.

It is not yet clear how useful a role these agencies will fulfil in providing properties for small businesses. The experience of the London Agency in Spitalfields and Wandsworth may provide some guide.

The agencies are likely to expand more quickly following the introduction in the last Budget of tax relief on company contributions which, while not significant in terms of major company expenditure may help persuade boards of directors in large businesses to provide help.

While a Conservative Government remains to power the local authority controlled boards are likely to play only a small role. However under a Labour Government, they could develop into a major source of public sector finance and aid.

John Elliott
Large company executives

Building for the future

CONTINUED FROM PAGE 1

It is likely there will be much less building this year.

There is still 1m sq ft of space available but the WDA says that the letting rate in the early months of this year is holding up well and the agency is pleased that its vacancies rate—the ratio of empty to completed property—was 14 per cent at the end of the financial

year, is now down to 13 per cent and the aim is to get it down to 10 per cent.

This compares very favourably with England where the rate is 17 per cent, although Scotland is happiest with 12 per cent.

In England, unlike the other two countries, EIE is moving into office development with a

£10m-£15m scheme for the redevelopment of the Exchange Station site. It is also moving into provision of service-industry facilities which is considered to be the big growth area.

There was a time when advance factories were only put up for industrial and especially manufacturing use, and this is still largely the case in Wales. But in England, and to some extent in Scotland, it has been accepted that tourism, warehousing and other service industries can create jobs. A block of small offices is being built in Gateshead and there is interest in another in Plymouth. The corporation is also involved in talks about a hotel for Gateshead.

Scotland has not moved into this field strongly though it is involved in an office complex on the former Singer works site in Clydebank, which is now part of the enterprise zone. But it is not into hotels at all.

In a related field the EIE is putting up premises for those high-technology industries in such a way that they can be turned into offices if demand from the former fails to materialise. The corporation is setting a five-year take-up time for high technology use after which any unoccupied premises will be let out as offices.

The first of these projects have been built at Leeds and Bradford on land close to the university and another is in hand at Lancaster. Further schemes are in mind for Hull, Durham and Newcastle.

Another change is that the emphasis has turned away from greenfield sites on the edge of towns, such as those at Thornaby in Cleveland, towards city-centre sites. At the same time building is being concentrated on small units, probably the only areas where there is movement at the moment. Greenfield sites were acceptable for large units or when the country wanted to capture footloose manufacturing industry. There is very little of the latter, whether international or national, and so it makes much more sense now to build small, especially around 500-1,000 sq ft, in towns.

By concentrating on such units the corporation can offer much shorter rental periods, perhaps as little as 3 months compared with the 21 years that was once standard. This is also Scottish policy.

The general impression is that, with the exception of these very small factories, the market for units is very quiet. This is a reflection on the state of the economy, of course, rather than availability.

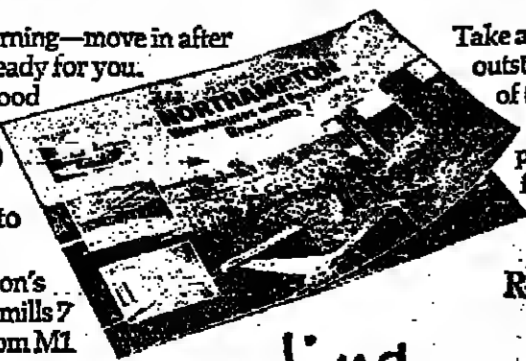
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WORLD CAR MARKETS

WEST GERMANY				FRANCE				ITALY				JAPAN				
Jan. to June 1981		%		Jan. to June 1982		%		Jan. to June 1981		%		Jan. to June 1982		%		
Domestic	960,414	72.2	941,469	75.3	Domestic	774,466	74.38	755,537	71.4	Domestic	558,897	57.3	Domestic	1,379,438	98.57	
Imports	369,446	27.8	386,216	24.7	Imports	249,499	25.62	302,751	28.6	Imports	451,693	42.7	Imports	19,930	1.43	
Total market	1,330,060	100.0	1,249,685	100.0	Total market	973,965	100.00	1,058,289	100.00	Total market	1,010,590	100.0	Total market	1,399,368	100.00	
DOMESTIC				DOMESTIC				DOMESTIC				DOMESTIC				
VW-Audi	402,705	30.2	374,779	30.1	Renault	404,370	41.51	416,504	39.35	Fiat group	513,234	50.8	Toyota	534,328	38.18	
Opel	218,508	16.4	235,910	18.9	Citroen	140,120	14.38	138,089	13.04	Alfa Romeo	65,642	6.5	Nissan	390,754	27.92	
Ford	171,778	12.9	134,368	10.9	Peugeot	134,275	13.78	134,378	12.69	Peugeot-Citroen	103,071	10.2	Mitsubishi	129,048	9.22	
Daimler-Benz	127,637	9.6	125,608	10.0	Talbot	45,660	4.69	66,544	6.28	Renault	103,071	10.2	Toyota-Kogyo	93,501	6.68	
BMW	70,501	5.3	73,383	5.9	IMPORTS				IMPORTS				IMPORTS			
IMPORTS				IMPORTS				IMPORTS				IMPORTS				
Peugeot	58,765	4.4	54,480	4.4	VW-Audi	59,412	6.1	66,610	6.29	Ford	101,050	10.0	Ford	42,793	3.05	
Renault	58,386	4.4	52,480	4.2	Ford	51,620	5.3	48,436	4.59	VW-Audi	63,661	6.3	Ford	30,875	2.15	
Fiat	52,286	3.9	55,519	4.4	Fiat	37,985	3.9	24,318	2.29	General Motors	35,367	3.5	Suzuki	31,461	2.24	
Toyota	30,252	2.3	21,280	1.7	General Motors	15,583	1.6	16,917	1.59	BMW	19,199	1.9	Volksvagen	32,713	2.33	
Nissan-Datsun	22,825	1.7	22,073	1.8	BMW	9,740	1.0	14,802	1.39	BL	12,126	1.2				

Japanese hit trouble as they go up-market

By Kenneth Gooding, Motor Industry Correspondent

THE TIDE has turned for the Japanese in Europe. Their share of the Western European car markets slipped again during the first half of 1982. It seems the Japanese can no longer expect growth will come almost automatically.

In 1977 the Japanese penetration of Western European car markets stood at 6.3 per cent, reached 7.3 per cent in 1979 and peaked at 9.8 per cent in 1980.

Last year, however, it eased back to 8.5 per cent and, to prove that this was not just a

hiccup but something more fundamental, by June this year Japanese penetration slipped back further to 8.5 per cent. In June 1981 it had stood at 9.7 per cent.

While it is true that the Japanese are faced with some form of restriction in several European markets, there is also evidence that they are having to fight just as hard as any other manufacturing country to win sales during the current recession.

The Japanese Automobile Manufacturers Association

(JAMA) blames the strengthening of the value of the yen against major trading currencies for the slippage in sales.

However, there are other factors quoted by the Europeans. To start with the Japanese have traded particularly on a "value for money" image. But for the past year or so a price war has raged in all the main European markets and the domestic manufacturers not only have brought down their prices in real terms but have also improved and expanded the equipment offered in many popular models.

This has coincided with efforts by the Japanese to increase turnover by sending Europe more expensive vehicles. They are constrained from increasing unit sales by the "voluntary" restrictions on shipments to markets such as France, Italy, the UK, Belgium, Holland and West Germany.

There is no doubt that the Japanese are having a hard time selling some of the up-market models, partly because the "value for money" approach in the past has linked their products mainly with "cheap and cheerful" vehicles.

Sales of Japanese cars dropped back in the two most important markets—Britain and

West Germany—in the first half of 1982—and this accounted for much of the fall in European market share.

In Germany the Japanese market share has reversed as sharply as it climbed and by June was 8.2 per cent, down from 10 per cent at the same time last year.

Weak dealers and too many marques

According to the German industry, the Japanese expanded too fast during the 1980-81 period, picking up too many weak dealers and tackling the market with too many marques. The upshot has been that trade-in prices for many Japanese models have been lower than usual.

The recent experience makes something of a mockery of the voluntary restraint the Japanese agreed to—that their shipments to West Germany would not increase by more than 10 per cent on last year's level. The German industry—as a leading exporter and advocate of free trade—has joined the Japanese in calling for the restraint, imposed at the request of the German Government, to be ended as quickly as possible.

The difficult trading conditions in West Germany, where car sales in the first six months fell by 6 per cent from the same period last year, affected all importers and their share of total market fell from 27.8 per cent to 24.7 per cent.

Among the domestic manufacturers, Opel, the General Motors offshoot, and BMW improved their positions emphasising that a good new product can do wonders for market share. The new Opel Ascona and BMW 5-series boosted these manufacturers' sales considerably.

West German car output actually rose 16 per cent from 1.8m to 2.1m during the six months reflecting the country's success in other European markets and the U.S. With about half its output earmarked for export, Germany is now being viewed by its rivals as "the Japan of Europe."

In Japan itself, the efforts of the manufacturers to find more domestic sales in the face of increasing protectionism overseas have helped push up registrations. They have also squeezed imports even further.

Significantly, however, car production in the first six months fell by nearly 2 per cent, from 3.55m to 3.45m, following the slip from 7m for the hole of 1980 to 6.97m last year—the first set-back in Japanese car production since 1974.

Exports, which take half the output, have been meeting resistance in Africa and Latin America and, apart from the European countries already mentioned, there are "voluntary" restrictions on shipments to the U.S. and Canada.

Of the other major industrialised markets, France managed to buck the recessionary trend in the first six months. Not only were car sales up, so was production. Output improved from 1.32m to 1.42m in spite of the loss of an estimated 100,000 vehicles caused by strikes at the plants of Renault, Citroen and Talbot early in the year.

UNITED KINGDOM			
Jan. to June 1981		%	
Domestic	368,119	44.3	330,609
Imports	429,818	53.87	451,272
Total market	797,937	100.00	781,881
DOMESTIC			
Ford*	242,997	30.45	234,932
BL*	159,300	19.96	141,403
Vauxhall*	58,202	7.29	88,341
Talbot*	41,671	5.22	28,904
IMPORTS			
VW-Audi	41,148	5.16	46,342
Datsun	50,027	6.27	44,225
Renault	39,007	4.89	36,115
Volvo	22,403	2.81	26,055
Fiat Auto	29,693	3.72	25,876
Citroen	13,904	1.74	12,774
Peugeot	9,329	1.17	10,005

* Includes cars from Continental associates not included in total import figure

What new products can do for sales

Talbot, the Peugeot subsidiary, climbed back from the depths with the help of its small car, the Samba.

In the UK not only were sales down, so was production—by nearly 4 per cent to 549,000 in the first six months.

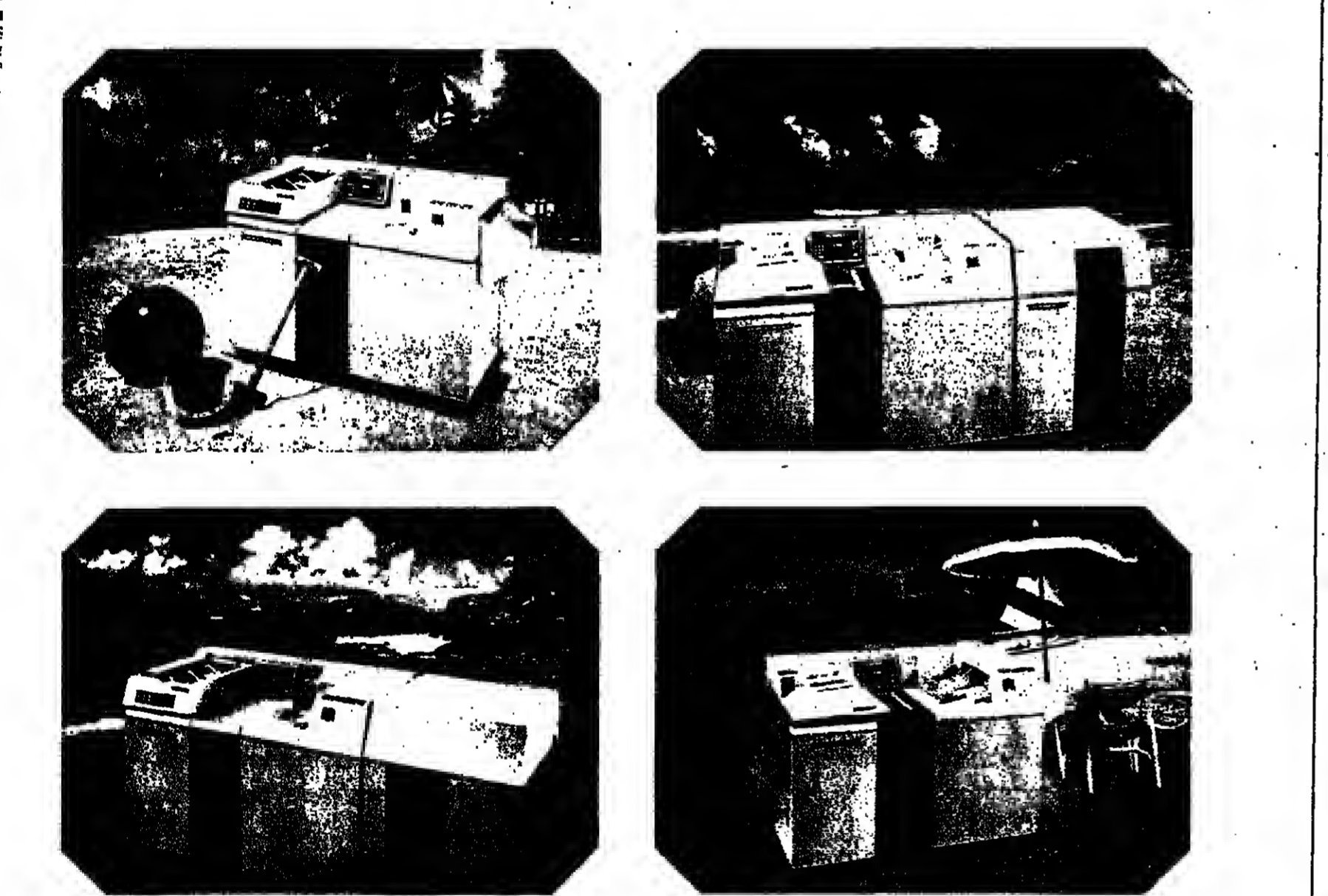
The Japanese share of the UK market dropped from 11.3 per

cent to 10.3 per cent for the six months. Some of the Japanese importers claim the fall results from a shortage of stocks because shipments from Japan have been badly timed. Others admit they are struggling hard to sell the cars they have received.

Production figures for Italy are not available and even the registration statistics quoted here are well-informed estimates.

After bucking the trend in the

UNITED STATES			
Jan. to June 1981		%	
Domestic	3,368,432	72.2	2,934,834
Imports	1,273,863	27.8	1,101,165
Total market	4,642,295	100.00	4,035,999
DOMESTIC			
General Motors	1,997,376	43.58	1,799,035
Ford	750,951	16.38	693,697
Chrysler	400,717	8.2	349,978
Volksvagen of America	84,314	1.84	46,129
American Motors	75,074	1.64	45,985
IMPORTS			
Toyota	324,677	7.13	264,235
Nissan	247,430	5.4	231,121
Honda	204,871	4.47	189,620
Mazda (Toyo-Kogyo)	93,407	2.03	76,394
Subaru	77,769	1.69	72,448
VW-Audi	69,533	1.51	54,990
Volvo	37,323	0.81	41,788
Mercedes	32,694	0.72	31,969



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Copier-Duplicators have similar basic features, each member has individual characteristics that make it just right for your copying needs. And, if these needs grow, you can still keep it in the family. Because Kodak 'Ektaprint' Copier-Duplicators can easily build themselves up to cope.



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Position in Company _____

Address _____

Tel. No. _____

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Handwritten signature or note at the bottom of the page.

COMMODITIES AND AGRICULTURE

Companies and Markets

Coconut output fall expected

PHILIPPINE coconut production this year is expected to decline by 4.6 per cent because of bad weather, reports a correspondent in Manila. The Philippines government-funded United Coconut Association said output will be 2.2m tonnes, 106,000 tonnes less than last year's output. Value of the coconut products exported in the first seven months of this year was 13.8 per cent down at \$40.1m.

Date for gold currency meeting fixed

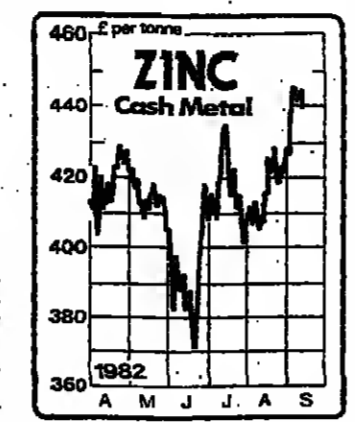
THE DATE for the special meeting of the London gold futures market, where members will consider changing the currency of the contract from sterling to dollars, has been fixed for October 1.

Zinc producer price split

EUROPEAN zinc producers made it plain yesterday they were reluctant to follow the lead set by Cominco of Canada, who on Friday raised its selling price for zinc outside North America from \$800 to \$850 a tonne. The move by Cominco to lift the European producer price, as it is known, to \$850 follows the general increase in U.S. zinc producer prices recently from 40 to 42 cents a pound.

Strike hits Australian flocks

By Michael Thompson-Noel in Sydney STRIKES by sheep shearers in New South Wales are adding to the problems of wool producers already beset by drought and low export prices. According to estimates, farmers on the tablelands of northern New South Wales are waiting to shear 1m breeding ewes in the final stages of pregnancy.



There was little reaction yesterday on the LME zinc market, where values remain well below the level quoted by producers. In the basket trading conditions, cash zinc closed at \$2.75 a tonne.

Strike hits Australian flocks

By Michael Thompson-Noel in Sydney STRIKES by sheep shearers in New South Wales are adding to the problems of wool producers already beset by drought and low export prices. According to estimates, farmers on the tablelands of northern New South Wales are waiting to shear 1m breeding ewes in the final stages of pregnancy.

In some areas, producers are preparing to man their sheds with "scab" labour. According to one producer: "The ewes are starting to lamb, but I don't think they will be declared black by the union. If the ewes are unshorn at lambing, they will die."

Inshore waters fishing watchdog

THE MINISTRY of Agriculture is to step up surveillance of British inshore fishing grounds using its own aircraft. The specially-equipped Britten-Norman Islander will regularly patrol the coastline around England and Wales keeping track of fishing fleets and individual vessels.

EUROPEAN CLIMATE

Outlook bright for bigger harvests

BY A CORRESPONDENT

AS EUROPE'S granaries fill to bursting point, earlier fears that fluctuations in the weather might damage the harvest appreciably seem misplaced. This year has demonstrated yet again that only in extreme circumstances can the weather interrupt significantly the inexorable rise in EEC grain production.

activity was over a third below normal. In England the wheat harvest barely exceeded half the figures for adjacent years. It is possible to examine the impact of the weather on European grain harvests over a much longer period by using a general price series and wheat harvest prices which go back over five centuries. What emerges is that for most of the period, which was marked by a somewhat cooler, more variable climate, it was the cold wet years that caused the greatest problems.

UK sugar beet record forecast

BY TERRY POVEY PROCESSING of the 1982-83 UK sugar crop is to start in one week's time, the British Sugar Corporation announced yesterday. Pre-campaign samplings indicate a possible record crop of over 1.3m tonnes.

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LONDON OIL SPOT PRICES

Table with columns for oil types (Arabian Heavy, Arabian Light, Brent, etc.) and their prices per barrel.

GAS OIL FUTURES

Table with columns for gas oil futures (Month, Yesterday's close, Business close, etc.) and their prices.

BRITISH COMMODITY MARKETS

Table with columns for various commodities (Base Metals, Copper, Tin, etc.) and their prices.

GOLD MARKETS

Gold fell \$151 an ounce in the London bullion market yesterday to close at \$438.440. The metal opened at \$433.434 and was fixed at \$444.10 in the morning and \$439.00 in the afternoon.

LONDON FUTURES

Table with columns for various futures (Cocoa, Coffee, etc.) and their prices.

COFFEE

Table with columns for coffee prices (Arabica, Robusta, etc.) and their prices.

WHEAT

Table with columns for wheat prices (Wheat, Barley, etc.) and their prices.

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PRICE CHANGES

Table with columns for various commodities (Metals, Rubber, etc.) and their price changes.

AMERICAN MARKETS

Table with columns for various American market commodities (Wheat, Soybeans, etc.) and their prices.

INDICES

Table with columns for various indices (Dow Jones, etc.) and their values.

MEAT/FISH

Table with columns for various meat and fish prices (Beef, Pork, etc.) and their prices.

TEA AUCTIONS

Table with columns for tea auction results (C229, C230, etc.) and their prices.

POTATOES

Table with columns for potato prices (Lancaster, etc.) and their prices.

Well established group of COMMODITY BROKERS. Text describing the services of the brokers and contact information.

CLUBS

Text listing various clubs and their details.

ART GALLERIES

Text listing various art galleries and their details.

TRAVEL

Text listing various travel services and their details.

THE SUN SHINES

Text listing various services under 'The Sun Shines'.

WHITECHAPEL ART GALLERY

Text listing details for Whitechapel Art Gallery.

THE PARKER GALLERY

Text listing details for The Parker Gallery.

Companies and Markets

WORLD STOCK MARKETS

Wall St down at mid session

NEW YORK

Table listing various stocks and their prices in New York, including columns for stock names, prices, and changes.

NEW YORK

Table listing various stocks and their prices in New York, including columns for stock names, prices, and changes.

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Singapore

Prices closed generally lower on profit-taking in moderately active trading. Central Sugars shed 25 cents to S\$8.60, Genting 23 to S\$21.10, Magna 18 to S\$20.50, National Iron 10 to S\$5.25, Straits Trading 14 to S\$16.00, Hong Kong Finance 20 to S\$25.75, Overseas Chinese Bank 15 to S\$7.40 and United Overseas Bank 10 to S\$3.32.

Germany

Shares failed to reverse early losses and closed mainly down on low turnover in the absence of any encouraging new factors. The Commerzbank Index fell 2.7 to 672.2. Deutsche Bank ended DM 2.90 down from Friday's close of DM 2.95 while Commerzbank shed 120 to DM 2.90 and Dresdner lost 110 to DM 115.

Hong Kong

Prices reversed an earlier easier tendency to close little changed from Friday's finish. Trading was thin throughout the day in the absence of fresh factors to motivate direction. The Hang Seng Index closed off 0.21 at 1,080.37, having been down 7.34 at 11 am.

Amsterdam

The market began the week mainly lower. Dutch Internationals and Banks were weaker while the Investment Fund sector held out against the lower trend.

Stockholm

Uncertainty over the outcome of next Sunday's national elections dampened trading with stocks closing lower on small turnover.

Johannesburg

Gold shares firm after an earlier session as bullion rose from its early levels in Europe but trading was fairly quiet.

Australia

Markets closed lower in quiet trades attributed to the decline in the world gold price and lower Wall Street indices, brokers said.

Canada

Stocks were lower in early trading as prices fell over a broad front.

Denmark

Prices were lower in early trading as prices fell over a broad front.

Norway

Prices were lower in early trading as prices fell over a broad front.

France

Prices were lower in early trading as prices fell over a broad front.

Italy

Prices were lower in early trading as prices fell over a broad front.

Spain

Prices were lower in early trading as prices fell over a broad front.

Switzerland

Prices were lower in early trading as prices fell over a broad front.

Belgium/Luxembourg

Prices were lower in early trading as prices fell over a broad front.

Austria

Prices were lower in early trading as prices fell over a broad front.

Japan

Prices were lower in early trading as prices fell over a broad front.

South Africa

Prices were lower in early trading as prices fell over a broad front.

Singapore

Prices were lower in early trading as prices fell over a broad front.

Hong Kong

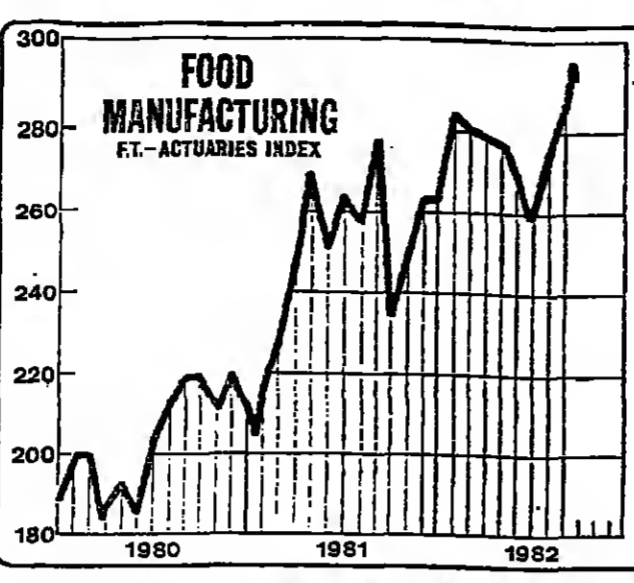
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Germany

Prices were lower in early trading as prices fell over a broad front.

U.S. economic and financial worries dampen investment ardour and lead to further London uncertainty

Account Disting Dates
First Declare Last Account
Disting Dates Disting Dates
16 Sept 2 Sept 3 Sept 13
21 Sept 6 Sept 16 Sept 27
26 Sept 11 Sept 21 Sept 30
Oct 4 Oct 14 Oct 25
* "Time" dealings may take place from 3.30 am two business days earlier.



had Willis Faber 5 earlier at 490p in front of today's half-timer, while Sedgwick interim results due on Thursday, sited a couple of pence to 170p. Speculative counter Edge Robinson touched 100p before closing unchanged on balance at 105p.

up 3 to 188p. News of the agreed \$100m purchase of J. B. Williams from Nabisco Brands failed to stimulate Beecham, which closed a couple of pence cheaper at 313p. Reports of a downward revision in a broker's profits estimate prompted dullness in Chubb 8 lower at 113p. While Huntleigh met selling ahead of interim results due shortly and fell 9 to 132p, Consultants (Computer and Finance) dropped 17 to 158p on disappointing interim results and Low and Bonar closed 9 down at 57p, after 55p, on the reduced interim dividend and half-yearly trading loss.

Table titled 'FINANCIAL TIMES STOCK INDICES' with columns for Sept 13, Sept 10, Sept 9, Sept 8, Sept 7, Sept 6, and a Year Ago column. Rows include Government Secs, Fixed Interest, Industrial Ord., Gold Mines, Ord. Div. Yield, Earnings, P/E Ratio, Total Returns, and Equity Shares.

Table titled 'HIGHS AND LOWS S.E. ACTIVITY' with columns for High, Low, and S.E. Activity. Rows include Govt. Secs, Fixed Int., Ind. Ord., and Gold Mines.

Clearers improve
The major clearing banks, operators of late by the most proteous facing the international banking system, took a modest turn for the better on the Hill of UK sanctions against Argentina. Lloyds, with its recent pessimistic forecasts prompted a bear-squeeze on BTR and the rise of 10, to 338p, in this constituency also helped the index.

Thorn EMI steadier
Down 48 last Friday on the shock forecast of substantially lower interim profits, Thorn EMI came under early selling pressure and reacted to 385p before recovering to close only 2 cheaper on the day at 385p.

Tricentrol lower
Partly reflecting the lower trend on Wall Street, Oil shares continued on a downward path. Shell gave up 8 to 422p and BP to 400p. Tricentrol remained on edge after last Friday's announcement of a £20m rights issue and gave up 6 more to 186p. Elsewhere, Jepsens Drilling, up 20 to 240p in response to the good interim results, provided one of the few bright spots.

BTR rally
BTR, a dull market recently, rallied sharply following sales factory half-yearly results to close 10 higher at 326p. Elsewhere in miscellaneous industrials, the trend was to slightly lower levels, although Glaxo became a steadier market, closing unchanged at 78p, after 78p. Recibat and Colson eased afresh to 314p before settling with a fall of 6 on balance at 316p, while Bewater, awaiting tomorrow's interim results, gave

RECENT ISSUES

Table titled 'EQUITIES' with columns for Issue Price, Latest Price, High, Low, Stock, and Dividend. Rows include Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian.

Table titled 'FIXED INTEREST STOCKS' with columns for Issue Price, Latest Price, High, Low, Stock, and Dividend. Rows include Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian.

Table titled 'RIGHTS OFFERS' with columns for Issue Price, Latest Price, High, Low, Stock, and Dividend. Rows include Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian.

Recapitulation data mostly last day for dealing free of stamp duty. Figures based on prospectus estimates. Dividend was paid or payable in part of indicated dividend cover ratios to full capital. Assumed dividend and yield based on prospectus estimates. Figures or ratios based on previous year's earnings. Figures or ratios based on previous year's earnings. Figures or ratios based on previous year's earnings.

Table titled 'ACTIVE STOCKS' with columns for Stock, Closing Price, Day's Change, Stock, Closing Price, Day's Change. Rows include British Funds, Foreign Bonds, Industrials, Oil, Pharmaceuticals, and Others.

Table titled 'FRIDAY'S ACTIVE STOCKS' with columns for Stock, Friday's Closing Price, Day's Change, Stock, Friday's Closing Price, Day's Change. Rows include Thorn EMI, Cable & Wireless, Barclay's Bank, GEC, and BSR.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table titled 'EQUITY GROUPS & SUB-SECTIONS' with columns for Index, Day's Change, and Year Ago. Rows include 1. CAPITAL GROUPS, 2. Financial Services, 3. Contracting, 4. Electricals, 5. Engineering Contractors, 6. Mechanical Engineering, 7. Metals and Metal Finishing, 8. Motors, 9. Other Industrial Materials, 10. Chemicals, 11. Pharmaceuticals, 12. Publishing, 13. Printing and Paper, 14. Textiles, 15. Transport, 16. Other Consumer Goods, 17. Chemicals, 18. Other Consumer Goods, 19. Other Consumer Goods, 20. Other Consumer Goods, 21. Other Consumer Goods, 22. Other Consumer Goods, 23. Other Consumer Goods, 24. Other Consumer Goods, 25. Other Consumer Goods, 26. Other Consumer Goods, 27. Other Consumer Goods, 28. Other Consumer Goods, 29. Other Consumer Goods, 30. Other Consumer Goods, 31. Other Consumer Goods, 32. Other Consumer Goods, 33. Other Consumer Goods, 34. Other Consumer Goods, 35. Other Consumer Goods, 36. Other Consumer Goods, 37. Other Consumer Goods, 38. Other Consumer Goods, 39. Other Consumer Goods, 40. Other Consumer Goods, 41. Other Consumer Goods, 42. Other Consumer Goods, 43. Other Consumer Goods, 44. Other Consumer Goods, 45. Other Consumer Goods, 46. Other Consumer Goods, 47. Other Consumer Goods, 48. Other Consumer Goods, 49. Other Consumer Goods, 50. Other Consumer Goods, 51. Other Consumer Goods, 52. Other Consumer Goods, 53. Other Consumer Goods, 54. Other Consumer Goods, 55. Other Consumer Goods, 56. Other Consumer Goods, 57. Other Consumer Goods, 58. Other Consumer Goods, 59. Other Consumer Goods, 60. Other Consumer Goods, 61. Other Consumer Goods, 62. Other Consumer Goods, 63. Other Consumer Goods, 64. Other Consumer Goods, 65. Other Consumer Goods, 66. Other Consumer Goods, 67. Other Consumer Goods, 68. Other Consumer Goods, 69. Other Consumer Goods, 70. Other Consumer Goods, 71. Other Consumer Goods, 72. Other Consumer Goods, 73. Other Consumer Goods, 74. Other Consumer Goods, 75. Other Consumer Goods, 76. Other Consumer Goods, 77. Other Consumer Goods, 78. Other Consumer Goods, 79. Other Consumer Goods, 80. Other Consumer Goods, 81. Other Consumer Goods, 82. Other Consumer Goods, 83. Other Consumer Goods, 84. Other Consumer Goods, 85. Other Consumer Goods, 86. Other Consumer Goods, 87. Other Consumer Goods, 88. Other Consumer Goods, 89. Other Consumer Goods, 90. Other Consumer Goods, 91. Other Consumer Goods, 92. Other Consumer Goods, 93. Other Consumer Goods, 94. Other Consumer Goods, 95. Other Consumer Goods, 96. Other Consumer Goods, 97. Other Consumer Goods, 98. Other Consumer Goods, 99. Other Consumer Goods, 100. Other Consumer Goods.

NEW HIGHS AND LOWS FOR 1982

Table titled 'NEW HIGHS AND LOWS FOR 1982' with columns for Stock, High, Low, and Year Ago. Rows include Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian, Anglo-Indonesian.

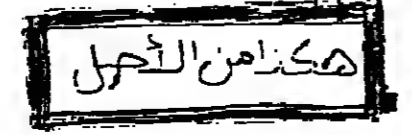
WORLD VALUE OF THE POUND

The table below gives the latest available rate of exchange for the pound against various currencies on September 13, 1982. Figures are in pence unless otherwise stated. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been used where official rates increase currencies to which they are used.

Table titled 'WORLD VALUE OF THE POUND' with columns for Place and Local Unit, Value of £ Sterling, Place and Local Unit, Value of £ Sterling, Place and Local Unit, Value of £ Sterling. Rows include Afghanistan, Albania, Algeria, Angola, Argentina, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Benin, Bermuda, Bolivia, Botswana, Brazil, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Canada, Cayman Islands, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Czechoslovakia, Denmark, Dominican Republic, Ecuador, Egypt, Equatorial Guinea, Ethiopia, Falkland Islands, Finland, France, Gabon, Gambia, Germany, Ghana, Gibraltar, Greece, Grenada, Guadeloupe, Guinea, Guyana, Haiti, Honduras, Hong Kong, Hungary, Iceland, India, Indonesia, Iran, Iraq, Israel, Italy, Ivory Coast, Jamaica, Jordan, Kenya, Kuwait, Kyrgyzstan, Laos, Lebanon, Lesotho, Liberia, Libya, Luxembourg, Madagascar, Malawi, Maldives, Mali, Malta, Mauritania, Mauritius, Mexico, Monaco, Morocco, Mozambique, Myanmar, Namibia, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Portugal, Puerto Rico, Qatar, Reunion, Romania, Rwanda, St. Christopher, St. Helena, St. Kitts, St. Lucia, St. Vincent, Samoa, Sao Tome and Principe, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Solomon Islands, South Africa, South Korea, Sri Lanka, Sudan, Suriname, Swaziland, Sweden, Switzerland, Taiwan, Tanzania, Thailand, Togo, Tonga, Trinidad and Tobago, Tunisia, Turkey, Tuvalu, Uganda, United States, Uruguay, Vanuatu, Venezuela, Vietnam, Virgin Islands, Yemen, Yugoslavia, Zambia, Zimbabwe.

Table titled 'FIXED INTEREST' with columns for Price Indices, Day's Change, and Year Ago. Rows include British Government, 5-year, 10-year, 15-year, 20-year, All Stocks, and Profits.

* Day yield. Highs and lows record, base date, values and coefficient changes are published in Saturday issues. A new list of constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4A 3DF, price 15p, by post 20p.



CURRENCIES and MONEY

Dollar firm

The dollar improved sharply in currency markets yesterday, underpinned by a rise in Euro-dollar rates after Friday's increase in U.S. money supply.

The dollar closed at a record high against the French franc and the Italian lira.

STERLING - Trade-weighted index (Bank of England) 123.1 against 122.2 on Friday and 113.7 six months ago.

yesterday's fixing in Frankfurt. The dollar rose to DM 2.512 from DM 2.509 at the Bundesbank sold \$13.2m at the fixing.

ITALIAN LIRA - EMS weighted index 53.5 against 53.6 on Friday and 54.9 six months ago.

JAPANESE YEN - Trade-weighted index 129.6 against 130.3 on Friday and 136.7 six months ago.

THE POUND SPOT AND FORWARD

Table with columns: Sept 13, Day's opening, Close, One month, 3 months, 6 months, % p.a.

THE DOLLAR SPOT AND FORWARD

Table with columns: Sept 13, Day's opening, Close, One month, 3 months, 6 months, % p.a.

CURRENCY MOVEMENTS

Table showing currency movements for Sterling, U.S. dollar, Australian dollar, etc.

OTHER CURRENCIES

Table showing other currencies like Argentine peso, Australian dollar, etc.

EMS EUROPEAN CURRENCY UNIT RATES

Table showing EMS European Currency Unit rates for various currencies.

EXCHANGE CROSS RATES

Table showing exchange cross rates for Pound Sterling, U.S. dollar, etc.

FT LONDON INTERBANK FIXING (11.00 a.m. SEPTEMBER 13)

Table showing FT London interbank fixing rates for 3 months and 6 months U.S. dollars.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Table showing Euro-currency interest rates for Sterling, U.S. dollar, etc.

MONEY MARKETS

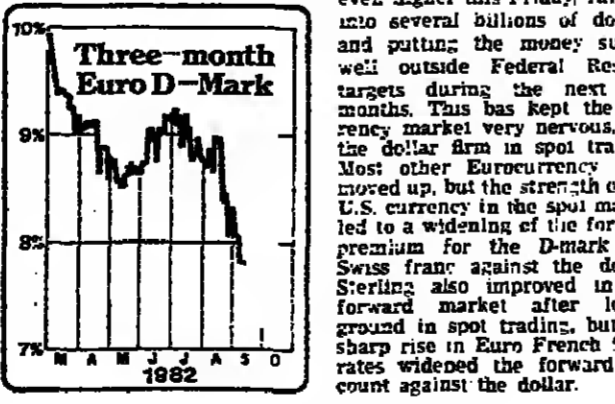
London rates firmer

UK clearing bank has leading rate 10 1/2 per cent since August 30 and 31. Interest rates had a slightly firmer tone in the London money market following the upward trend in Euro-dollar rates.

EUROCURRENCIES

firm

Euro-dollar interest rates increased yesterday, following Friday's rise of \$500m in U.S. money supply.



MONEY RATES

Table showing money rates for New York, Germany, France, and Japan.

LONDON MONEY RATES

Table showing London money rates for various currencies and terms.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED TRUSTS

Large table listing various authorized trusts and their details, including Abbey Unit Trst, Anglo-Continental, etc.

Notes and additional information regarding the trusts listed in the table.

Handwritten note: 10/1/1980

INSURANCES

Table listing various insurance companies and their products, including Asse Life Assurance Co. Ltd., Amey Life Assurance Co. Ltd., and others.

INSURANCE & OVERSEAS MANAGED FUNDS

Table listing insurance and managed funds, including Life Assurance Co. of Pennsylvania, Norwich Union Insurance Group, and others.

Table listing insurance and managed funds, including Standard Life Assurance Company, Sun Alliance Insurance, and others.

Table listing insurance and managed funds, including Sun Alliance Insurance, Standard Life Assurance Company, and others.

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Table listing offshore and overseas managed funds, including Aloy Investment, Franklin Trust Investment, and others.

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FT SHARE INFORMATION SERVICE

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'A GUIDE TO FINANCIAL TIMES STATISTICS' advertisement with order form.

مكتبة النهر

INDUSTRIALS—Continued

Table of industrial stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for stock price, high, low, and change.

LEISURE—Continued

Table of leisure stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for stock price, high, low, and change.

PROPERTY—Continued

Table of property stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for stock price, high, low, and change.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for stock price, high, low, and change.

OIL AND GAS—Continued

Table of oil and gas stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for stock price, high, low, and change.

NOMURA THE NOMURA SECURITIES CO. LTD. Japan's leader in international securities and investment banking.

MINES—Continued

Table of mines stocks including Central African, Australian, Tins, Miscellaneous, and NOTES sections.

MOTORS, AIRCRAFT TRADES

Table of motors and aircraft trades stocks including Motors and Cycles, Commercial Vehicles, and Components.

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Table of shipping stocks including British and Foreign, and other shipping companies.

SHOES AND LEATHER

Table of shoes and leather stocks including various shoe manufacturers.

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Table of South African stocks including various companies from South Africa.

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Table of textile stocks including various textile manufacturers.

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Table of newspaper and publisher stocks including various media companies.

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Table of paper, printing, and advertising stocks including various media and service companies.

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Table of tobacco stocks including various tobacco companies.

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Table of trusts, finance, and land stocks including various financial and land companies.

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Table of overseas traders stocks including various international trading companies.

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Table of plantation stocks including various rubber and palm oil companies.

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Table of mines stocks including various mining companies.

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Table of leisure stocks including various entertainment and leisure companies.

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Table of oil and gas stocks including various energy companies.

REGIONAL AND IRISH STOCKS

Table of regional and Irish stocks including various local companies.

OPTIONS

Table of options including various derivatives and call rates.

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COMPUTER MAKER SECURES BIGGEST OVERSEAS ORDER

ICL wins \$27m U.S. contract

BY GUY DE JONQUIERES

ICL, Britain's principal computer manufacturer, has won a \$27m (£15.8m) contract to supply small computer systems to New York State Department of Social Services.

to the New York Social Services will be produced at ICL's plant at Utica, in New York State, which has helped develop the system.

with IBM, for a smaller order worth about £1m for printing systems for the DVLC. ICL said that if it won the contract it would import printers made in West Germany by Siemens.

U.S. companies have recently alleged that ICL was unfairly favoured in some recent computer contracts. IBM and Burroughs have taken legal action over two orders awarded to the British company by the Severn Trent Water Authority and Oxford Regional Health Authority.

Mixed response for Lambsdorff

BY JONATHAN CARR IN BONN

COUNT OTTO LAMBSDORFF, the West German Economics Minister, has stirred up a hornet's nest with his weekend call for a new growth strategy for the country coupled with reduced state spending.

and made public at the weekend, the Economics Minister urged that the tax burden on business should be reduced and that there should be more public sector investment.

factor in West Germany's ability to retain its international competitiveness, the federation said.

election on September 26 that the comment caused little surprise.

Italy to ask for Gelli's extradition

By Rupert Cornwell in Rome

THE ROME authorities last night were preparing a formal demand for the extradition from Switzerland of Sig Licio Gelli, fugitive head of the disbanded P-2 freemasons' lodge, and a key figure in several of Italy's most serious recent scandals.

Consumer spending shows first real improvement in three years

BY ROBIN PAULEY AND DAVID CHURCHILL

SPENDING IN High Street shops increased for the third successive month in August, which is traditionally a flat month.

value of sales was 8 per cent higher than the value for the same period of 1981.

Retail Society, for example, recently stopped giving dividend stamps in its major food stores and has passed on the savings in the form of price cuts.

Citicorp accused

Continued from Page 1

encapsulated the conduct of Citicorp-Citibank's major subsidiary with regard to taxation and banking regulations such as reserve requirements as well as questionable foreign exchange dealings, which was at the heart of the Edwards allegations.

the CIA. Mr David Doherty, associate head of enforcement, and Mr Thomson von Stein, who conducted much of the investigation.

"Thousands" of such transactions worth hundreds of millions of dollars were made between 1973 and 1980, the officials said.

Mr von Stein said the Citibank study carried annotations by Mr Walter Wriston, the chairman of Citicorp. However, Mr Wriston later denied receiving a copy of the study.

Argentina

willing to enter full-scale talks with Argentina on restructuring its foreign debt until the payments had been received. Some added that money could come in in dribs and drabs which would make it very difficult to check on the amounts left outstanding.

The SEC officials, who were giving sworn testimony, were Mr Stanley Sporkin, head of SEC Enforcement until last year, and now chief counsel for

the practice were started, the officials alleged, after senior Citicorp management had ordered a study of trading opportunities. They were disguised by the use of two sets of books, one for the authorities, one for internal use.

Mr von Stein said the Citibank study carried annotations by Mr Walter Wriston, the chairman of Citicorp. However, Mr Wriston later denied receiving a copy of the study.

Discreet speed-up for BL pay talks

By John Lloyd, Labour Editor

BL CARS has agreed with unions representing 38,000 manual workers an accelerated and discreet round of wage negotiations in the next month in an effort to avoid damage to its sales from large, highly-publicised wage claims accompanied by threats of industrial action.

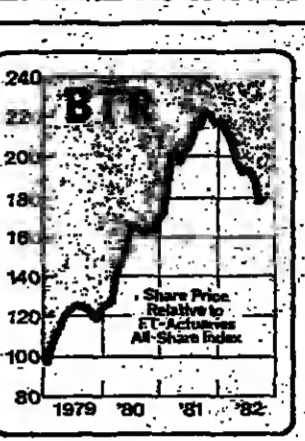
Mr Roy Burgess, managing director of British Home Stores, acknowledged that there had been a "slightly better trend" in recent weeks but said special factors might have brought this about.

He claimed that M. Cars had moved from the bottom of the West European motor industries' productivity table, and was now higher than Ford UK.

THE LEX COLUMN BTR rides the recession

BTR has responded with characteristic vigour to flagging demand in its principal markets. Since the beginning of 1980, the group's UK workforce has dropped from 18,500 to 10,500, working capital has been tightly controlled and the profit momentum has consequently been well maintained.

Index fell 3.6 to 571.6



management capacity, for which it published separate accounts. To complicate matters still further, Amey has just gone through a year when it was given free broodings by its parent, and is entering another period when it has to fund its own lending, so that interest charges are now yo-yoling wildly.

John Brown's share price slipped a penny yesterday to a new six-year low of 32p. It is difficult to assess how much of the gloomy atmosphere surrounding the stock relates to the U.S. sanctions over the supply of gas turbines to the USSR, and how much to the depressed general trading position.

That said, the chairman's AGM speech was very bearish, and the steeply falling demand now being experienced by Brown's manufacturing businesses in the U.S. does not show the recent diversification policy in a good light.

Weather

UK TODAY: SUNNY intervals, some rain and fog. S.E. England, E. England, Central N. and S. England, Midlands Sunny intervals, mostly dry, cloudy later. Max. 22C (73F).

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Worldwide

Table with columns for location, weather, and temperature. Includes cities like Algeciras, Algiers, Amsterdam, Athens, Barcelona, Beirut, Belfast, Berlin, Bratislava, Bucharest, Cagliari, Cardiff, Casablanca, Cebu, Chicago, Cologne, Doha, Denver, Dublin, Edinburgh, Geneva, Graz, Helsinki, Innsbruck, Istanbul, Jerusalem, London, Lyons, Madrid, Milan, Moscow, Nicosia, Oporto, Paris, Rome, Santiago, Sao Paulo, Singapore, Stockholm, Sydney, Taipei, Tel Aviv, Toronto, Valencia, Vienna, Zurich.